

CENTRAL STATISTICAL OFFICE



SUPPLEMENT

DEFINITIONS AND
EXPLANATORY
NOTES

Monthly Digest of Statistics

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INTRODUCTION

This *Supplement* gives definitions of items and units employed in the *Monthly Digest of Statistics* in more detail than is possible in the headings and footnotes of the tables in the *Monthly Digest* itself.

This issue replaces that published with the January 1976 edition of the *Monthly Digest*.

The definitions relate to the tables as they appear in issue No. 373 of the *Monthly Digest* for January 1977. If further new series are added or changes are made in the *Digest* before the next issue of this *Supplement*, additional definitions will be given where necessary in the footnotes to the tables in the *Digest*.

The definitions in the *Supplement* also apply to corresponding items in the *Annual Abstract of Statistics* and *Regional Statistics* prepared by the Central Statistical Office and published by HM Stationery Office.

When annual figures such as appear in the *Monthly Digest* are given in greater detail in the *Annual Abstract*, the additional explanatory notes are shown in the *Annual Abstract*.

Weekly averages are used in the *Digest* where the basic figures are collected on a weekly basis, and also in a few cases, indicated by footnotes, where the basic figures are for calendar months. Where weekly averages are given for months they represent the totals of four-week or five-week periods divided by four or five respectively. The average of a five-week period is indicated by an asterisk throughout the *Digest*.

Central Statistical Office,
Great George Street,
London, SW1P 3AQ
13 January 1977

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I. NATIONAL INCOME AND EXPENDITURE

The tables in this section are designed to bring up to date the estimates for calendar years given in *National Income and Expenditure 1965-75* (HMSO 1976) and the quarterly estimates given in *Economic Trends*, October 1976. A detailed description of the sources, methods and definitions used in making the regular estimates is given in *National Accounts Statistics: Sources and Methods* (HMSO 1968) and is brought up to date in the notes to *National Income and Expenditure 1965-75*.

It is not always possible to record all the various items of expenditure in the tables on precisely the same basis or at the same point in time. For example, consumers' expenditure on alcoholic drink is estimated in practice from the quantities cleared from bond and not from the quantities sold; expenditure on goods and services by public authorities and capital expenditure by businesses during a given period may not coincide with the recorded output of the goods purchased, or with the incomes generated by this expenditure, during the same period. These inconsistencies, of course, affect the estimates for complete years; but they are likely to affect the estimates for shorter periods to a much greater extent. Hence only guarded conclusions should be drawn about changes in the pattern of expenditure, and in the relations between expenditure, income and output, from one quarter to another.

Each table has a section giving seasonally adjusted estimates which are designed to assist in the interpretation of the original unadjusted estimates.

Gross domestic product

The gross domestic product is a measure of the value of the goods and services produced by United Kingdom residents before providing for depreciation (or capital consumption). The estimates of the gross domestic product are built up from largely independent data on incomes and final expenditure. But as it is not always possible to record all the various forms of expenditure and income on precisely the same basis or at the same point in time, there is a difference between the two sets of estimates. This difference appears as the residual error and is presented as though it were an item of income. The movements in the residual error reflect inconsistencies between the various data on income and expenditure; these inconsistencies are bound to be relatively larger for periods of less than one year than for complete years. The gross national product is equal to the gross domestic product plus net receipts from interest, profits and dividends earned abroad.

Index numbers of output at constant factor cost

The output-based estimate of gross domestic product is calculated by combining indices of the output of individual industries and services valued at the prices of a base year, with weights proportional to the contribution of each industry to gross domestic product in the base year. The base year at present used is 1970. The estimate, in total and in broad industry detail, is also published quarterly in a seasonally adjusted form.

Detailed methodology is available in Chapter V of *National Accounts Statistics: Sources and Methods* and an up-to-date description is given in *The measurement of changes in production*, Studies in Official Statistics No. 25 (HMSO), July 1976.

The published index numbers of gross domestic product

from 1970 include an adjustment, based on estimates of stock movements, to allow for the use of indicators which measure deliveries rather than production in certain series within manufacturing industry. The index numbers for industrial production and for manufacturing however do not include this adjustment.

Personal income, expenditure and saving

The personal sector includes unincorporated enterprises and non-profit-making bodies. Separate annual estimates for the last category are shown in *National Income and Expenditure 1965-75* (HMSO 1976). Income is shown before tax and before providing for depreciation and stock appreciation. The item Personal saving before providing for depreciation, stock appreciation and additions to tax reserves is obtained as a residual and is subject to a wide margin of error.

Consumers' expenditure

Consumers' expenditure covers all expenditure by the personal sector, including private non-profit-making bodies serving persons, on goods and services for current use; but it excludes business expenditure on cars, meals, etc. which is allowed as a business expense in computing income for tax purposes of both employed and self-employed persons.

It includes expenditure on durable goods, for instance motor cars, which from the point of view of the individual might more appropriately be treated as capital expenditure. The only exception is the purchase of land and dwellings and costs incurred in connection with the transfer of their ownership, which are treated as personal capital expenditure.

The estimates of consumers' expenditure include purchases of second-hand as well as of new goods, less the proceeds of sales of used goods.

Detailed definitions of the items of consumers' expenditure identified in *National Income and Expenditure 1965-75* are given in Chapter VI of *National Accounts Statistics: Sources and Methods*. In the table in the *Monthly Digest of Statistics* some of these items are grouped together under the headings Other goods and Other services.

Other goods include household textiles, soft furnishings and hardware; matches, soap and other cleaning materials, etc.; books, newspapers and magazines; chemists' goods; miscellaneous recreational goods; other miscellaneous goods; running costs of motor vehicles; and income in kind not included elsewhere.

Other services include travel; communication services; entertainment and recreational services; domestic service; catering (meals and accommodation); wages, salaries, etc. paid by private non-profit-making bodies; insurance; other services (laundries, hairdressing, betting, etc.); and consumers' expenditure abroad less expenditure by foreign tourists, etc. in the United Kingdom.

Value of physical increase in stocks and work in progress

The quarterly estimates for manufacturing, wholesaling and retailing are based on information about the book value or standard cost valuation of stocks supplied by a sample of companies to the Department of Industry. The figures

for manufacturing are based on returns from a panel of companies covering about two-thirds of total manufacturers' stocks and including most of the larger companies, but those for wholesaling and retailing have a narrower coverage. The figures for the latest complete year and succeeding quarters are based at first on the quarterly inquiry but are revised in the light of the results of the censuses of production and distribution and the annual inquiries into the distributive and service industries when these become available.

The volume figures are derived from the basic book value figures at a detailed industry level by use of a wide range of price index numbers and other information, but where information about stocks valued at standard costs is supplied the reported changes are considered to represent the value of physical changes. Seasonal adjustment is carried out at the level of broad industry groups.

The figures are described in detail in Chapter XIII of *National Accounts Statistics: Sources and Methods*.

Gross domestic fixed capital formation

This comprises expenditure on fixed assets either for their replacement or the addition to existing fixed assets; expenditure on maintenance and repairs is excluded. Fixed assets include dwellings, other new buildings and works, vehicles, plant, machinery and other equipment, and the analysis by industry group covers these categories of asset. Land and existing buildings are a further category of fixed asset, the transactions in which, except for actual costs of transfer, must net out when aggregated for the country as a whole. Net transactions in land and existing buildings, although excluded from the analysis by industry, are however, included in the analysis of gross domestic fixed capital

formation by sector.

The transport and communication series in Table 7 includes imported ships at the time of delivery instead of when the expenditure takes place. The reason for this is to match with the recording of imports and so lead to a consistent expenditure-based estimate of gross domestic product.

The figures are described in detail in Chapter XII of *National Accounts Statistics: Sources and Methods*.

Fixed capital expenditure in the manufacturing, distributive and service industries

The quarterly estimates are based on information supplied to the Department of Industry by panels of companies which account for about two-thirds of the capital expenditure of the manufacturing industries, but less than this in the case of the distributive and service industries. The figures for the latest complete year and succeeding quarters are based at first on the quarterly inquiry but are revised in the light of the censuses of production in the case of manufacturing industry, and the annual inquiries for the distributive and service industries when these become available.

Separate annual figures for shipping (by asset) for petroleum and natural gas and for agriculture, forestry and fishing are available from the Blue Books on National Income and Expenditure. In the *Monthly Digest* investment in petroleum and natural gas is included under mining and quarrying.

The figures supplied at current values are revalued at constant prices and are then seasonally adjusted. The figures for plant and machinery and for vehicles are 'net' of receipts from sales of such assets.

II. POPULATION AND VITAL STATISTICS

Population of the United Kingdom

Mid-year estimates

Mid-year estimates are constructed from the latest full Census, with allowance for births, deaths, migration into and out of the country and variation in the disposition of the armed forces since the Census was taken. No adjustment is made, however, for the purely temporary seasonal net increase in visitors to this country in the summer months. Figures are given on two bases, *de facto* or Home population and Total population.

De facto or Home population: Persons actually present in an area.

Total population: This is the *de facto* or Home population plus members of HM Forces domiciled in the area but serving overseas or in another part of the United Kingdom but excluding members of HM Forces and Commonwealth and foreign armed forces present in the area who were not domiciled in it.

Projected Total population

Projections of the Total population of the United Kingdom

last appeared as a Supplementary Table in the August 1976 issue of the *Digest*. Notes on the assumptions used in preparing these projections were also included. A similar table appears later in the *Annual Abstract of Statistics*. An account of the methods and results for the mid-1975 based projections appears in *Population Projections pp 2 No. 7 1975-2015 (HMSO 1977)*.

Births, marriages and deaths

Births for England and Wales relate to occurrences in a period, while those for Scotland and Northern Ireland relate to births registered in a period. Marriages and deaths are those registered in the country during the periods shown.

The number of births registered in a period differs somewhat from the number which occur in that period because of the varying time-lag between a birth and its registration.

Deaths include those of members of the armed forces in the United Kingdom but exclude any which occur abroad.

Stillbirths are excluded throughout.

III. LABOUR

Employment statistics based on counts of national insurance cards were available until mid-1971. In 1971 an annual census of employment was introduced. The new system relies on returns from employers. In order to provide a

link between the old system and the new system, both a card count and a census were taken in 1971.

The count of national insurance cards included many employees who work for part of the year only and who

would not have been in employment in the particular week in June when the census was taken. Mainly for this reason the census figure for June 1971 is considerably lower than the card count. Another difference is that a person who had two regular jobs with different employers in the week of the census was counted twice in the census but only once in the card count so that the census figures are higher than the card count in some industries and services where secondary employment is common.

Estimates of employees in employment on a continuous basis, which removed the discontinuities in the previously published figures, have been prepared by the Department of Employment and published in the *Department of Employment Gazette* - see the March 1975 issue for Great Britain figures, the October 1975 issue for United Kingdom figures and the August 1976 issue for the standard regions. These estimates have now been incorporated into the *Annual Abstract of Statistics* and *Monthly Digest of Statistics*: they are on a census of employment basis with the industrial classification pertaining to the 1968 Standard Industrial Classification.

Distribution of working population

The figures, which relate to mid-month, are estimates of the total numbers gainfully employed, of all ages and occupations; the estimates include persons temporarily laid off and part-time workers as full units. The working population comprises the following four components:

- (i) employees in employment (excluding private domestic servants);
- (ii) employers and self employed persons;
- (iii) HM Forces; and
- (iv) the unemployed.

Industrial analysis of employees in employment

The figures for the middle of each year from 1948 to 1971 are based on the estimated numbers of employees (employed and unemployed) in each industry as derived from the count of national insurance cards due for exchange in June (part-time workers are counted as full units), *less* those recorded as unemployed. The figures for the middle of each year from 1971 are obtained direct from the census of employment and relate to employees who have jobs in the census week. (Part-time workers, who are separately identified, are counted as full units.)

Employees in employment

Manufacturing industries

June figures are obtained as described above. For Great Britain, figures for other months are obtained by application of the percentage changes in the numbers employed, derived from the returns rendered by a sample of employers under the Statistics of Trade Act, 1947. For Northern Ireland, figures are now only available for mid-year and these are used for each month until new mid-year figures become available; then the monthly figures will be revised back *pro rata*.

Non-manufacturing industries

June figures are obtained as described above. Estimates for each quarter/month are obtained from a new enquiry

based partly on a sample of employers and partly on composite returns rendered by central government, local authorities, nationalised industries, public corporations, and organisations in the private sector.

Staff employed in the Civil Service

The table sets out the numbers of UK-based staff of government departments whose pay is voted wholly and directly by Parliament. The following categories are excluded from the figures in the table: holders of judicial and political office; the staff of grant-aided bodies (e.g. the Forestry Commission); the staff of the Office of the Parliamentary Commissioner for Administration and the Exchequer and Audit Department; and certain staff who are deemed to be civil servants for superannuation purposes. Staff locally engaged overseas are not included, but staff engaged in the United Kingdom and serving abroad (e.g. in the Diplomatic Service and in the Ministry of Defence) are included.

The figures for the civil service table do not agree with those given in the table showing the distribution of the working population in Great Britain under National government service, since the latter term is a residual sub-heading of the Standard Industrial Classification covering all civil servants who are not in industrial units specifically covered elsewhere in the Classification, e.g. dockyard and ordnance factory workers, museum staff, etc.

Numbers employed in agriculture

The table shows the number of British and foreign workers (excluding the occupier and his wife, domestic servants, and children still at school) employed on the day of the census on agricultural holdings of more than one acre (0.4 hectare) in Great Britain up to June 1969, and of one acre (0.4 hectare) or more in Northern Ireland. With effect from June 1970 the census was extended in Great Britain to cover all holdings with significant output including those on one acre (0.4 hectare) of agricultural land or less. The census was also extended in the same terms in Northern Ireland with effect from June 1973.

Regular workers absent through sickness or holidays and working partners of the occupier are included.

Seasonal and casual workers and persons temporarily employed in agriculture, although ordinarily employed in other industries, are included in the figures for All workers. Seasonal, casual or temporary labour is defined as including contract work, that is, labour supplied by contractors or gang-masters for farm work by the piece, the job, the hour or the week. In Northern Ireland, prior to 1975, seasonal or casual workers were included with regular part-time workers.

Local authority manpower

In March of 1975 local authorities in England and Wales jointly with central government began a new quarterly series for the purposes of the Joint Manpower Watch. The figures for this new series are compiled by the Local Authorities Conditions of Service Advisory Board (LACSAB) on behalf of central government and the local authority associations. Quarterly results were published for the first time in the November 1976 *Monthly Digest of Statistics*. They will continue to be published quarterly together with

figures in due course from a similar manpower survey for local authorities in Scotland.

This new series covers total employment in all the services for which local authorities are responsible. For the purpose of converting part-time staff numbers to 'full-time equivalents' the following factors have been used: teachers and lecturers in further education 0·11, teachers in primary and secondary education and all other non-manual employees 0·53, manual employees 0·41. These factors derive from an analysis of hours worked by local authority employees as reported for the New Earnings Survey 1974. Further analyses of the quarterly series for all Manpower Watch categories also appeared for the first time in the *Department of Employment Gazette* for November 1976 and these will be updated quarterly. Other presentations will appear in *Local government financial statistics, England and Wales 1974/75* and for Wales alone in *Welsh local government financial statistics*, a new Welsh Office publication. These two publications will both appear next Spring.

Constructional work: number of operatives employed by contractors

The employment figures show the total number of operatives on firms' payrolls on a pay day in the first half of each month.

Overtime and short-time in manufacturing industries

Statistics on overtime and short-time relate to operatives employed in manufacturing industries. They do not include administrative, technical and clerical workers. Returns are rendered monthly by employers under the Statistics of Trade Act. From June 1974, when a new sampling system was introduced, the figures relate to all operatives in manufacturing industries, and overtime worked by maintenance workers is included. Before June 1974, they related to establishments with more than 10 employees in manufacturing industries except shipbuilding and ship repairing and overtime worked by maintenance workers was excluded.

Unemployment

The current figures include all unemployed persons registered for employment at local employment offices or careers offices in Great Britain, with the exception of registered severely disabled persons who are unlikely to obtain work other than under special conditions and adult students registered for vacation employment. They represent the numbers on the registers who were actually unemployed on the day of the count and were capable of and available for work. In October 1975 the following changes were made:

- (i) the day of the count was changed from Monday to Thursday;
- (ii) adjustments to take account of amendments notified on the four days following the count were discontinued;
- (iii) adult students were excluded from the various detailed analyses but continued to be included in the total unemployed;

From March 1976, adult students were excluded also from the total numbers unemployed and were shown separately. Unless otherwise stated, the numbers of adult

students have been removed from the totals for earlier dates.

The numbers of married women unemployed are shown separately.

The figures do not include those working short-time or otherwise suspended from work on the understanding that they were shortly to return to their former employment (temporarily stopped). In the *Monthly Digest of Statistics* the unemployed are sub-divided to show those who had, at the date to which the figures relate, been unemployed continuously for two weeks or less, for more than two weeks but not more than eight weeks, and for more than eight weeks. Separate figures are also given for broad industry groups, for each region, and for the numbers receiving unemployment benefit and supplementary allowance. Figures for the temporarily stopped are given in respect of each region.

The number of persons registered as unemployed in Northern Ireland is shown in the general and regional tables.

Seasonally adjusted unemployment statistics

The seasonally adjusted unemployment figures relate to registered unemployed persons, excluding those under 18 who have not entered insured employment since terminating full-time education (described as school-leavers). The method of seasonal adjustment used, is described briefly in the August 1972 issue of the *Department of Employment Gazette* (page 717). Figures are given for the United Kingdom and also for certain industry groups.

Notified vacancies remaining unfilled

The table shows for each month the numbers of notified vacancies remaining unfilled. The statistics relate only to vacancies notified to employment offices and careers offices. Vacancies notified to employment offices are mainly for adults but include some that are suitable for young persons and vacancies notified to careers offices are mainly for young persons but include some that are suitable for adults. Consequently the figures are not a measure of total vacancies. Because of possible duplication the two series should not be added. Some employers do not notify vacancies to employment offices or careers offices, but prefer to rely on other methods for finding workpeople and some industries (e.g. sea transport) have special arrangements for filling vacancies.

For Northern Ireland the table shows vacancies notified to the local offices of the Northern Ireland Department of Manpower Services.

Industrial stoppages

This table shows the number of workers involved and the total number of working days lost in stoppages of work arising from industrial disputes in the United Kingdom connected with terms and conditions of employment. Stoppages involving fewer than 10 workers or lasting less than one day are excluded from the statistics, except where the aggregate of working days lost exceeds 100.

Workers involved are those directly participating and workers at the same establishments who were indirectly involved, i.e. thrown out of work but not themselves parties to the disputes. When a stoppage began in one period (month or year) and continued into another the

workers have been counted only in the period in which they ceased work. When the same workers were involved in two or more stoppages in any period, they have been counted in the total on each occasion.

The aggregate number of working days lost in any period is the number lost in that period through all stoppages *in progress* irrespective of when the stoppages began.

The figures of the numbers of workers involved in the stoppages do not include those who are laid off at establishments other than those at which the disputes occurred. Similarly, figures of working days lost exclude any loss of time, for example through shortages of materials, which may be caused at other establishments by the stoppages which are included in the statistics.

Students in grant-aided establishments of further education

The definitions which follow apply to the series shown in the

Annual Abstract of Statistics and Regional Statistics.

Sandwich courses

These differ from full-time courses in that the period of study in college is broken by a period (or periods) of industrial training forming an integral part of the course. Courses in which the period spent in college taken over the whole course (in college and industry), averages eighteen weeks or less a year are termed block release courses and included in the figures for part-time day courses.

Part-time day courses

Most of the students taking part-time day courses are employed by firms who release them for one or two days a week. Some part-time day courses also include periods of evening instruction: students on these courses are included only in the figures for part-time day courses.

IV. SOCIAL SERVICES

National insurance

Sickness, invalidity and injury benefits

Under the Social Security Acts, nearly the whole of the civilian working population over school-leaving age but not yet retired can qualify for sickness and contributory invalidity benefit, including not only employed earners but also the self-employed. There are, however, some 4½ million employed persons who do not qualify including about 4 million married women who have elected not to be insured in their own right.

In general, contributory invalidity benefit replaces sickness benefit after this has been payable for over 6 months. Non-contributory invalidity pension became payable from 20 November 1975 and is primarily for persons of working age who have been unable to work for some time but do not qualify for sickness or invalidity benefit due to insufficient contributions. At present, most married women are excluded from these provisions.

The numbers of new claims for sickness and invalidity benefits including non-contributory invalidity pension are derived from the number of first medical certificates received by the Department of Health and Social Security. The numbers of insured persons absent from work on account of sickness or invalidity are provisional estimates based on the numbers of new claims, which are subsequently replaced by final estimates based on a standing sample of claimants.

The industrial injury provisions of the Social Security Acts under which claims to injury benefit are made, apply to almost all civilians working as employed earners. The number of new claims for injury benefit and the estimated number of persons absent from work because of industrial accident or occupational disease (that is, a disease prescribed for the purpose of the Act, such as lead poisoning) are obtained in the same ways as those for sickness benefit.

A small number of claims do not result in payment of benefit but, because they indicate certified incapacity for work, they are included in the figures.

Unemployment benefit

Most unemployed persons who normally work for an

employer can qualify for unemployment benefit. The main exceptions are those married women who are liable to pay basic contributions at the reduced rate. Self-employed persons and non-employed persons are not eligible for unemployment benefit.

Retirement pensions

Retirement pensions, as the name implies, are payable on retirement from regular work provided the minimum age (65 for men, 60 for women) has been reached and the necessary contribution conditions are satisfied. From age 70 (65 for women) the retirement condition no longer applies.

A married woman can receive a pension through her husband's insurance provided that the retirement and age conditions are satisfied by both.

Widows' pensions and widowed mothers' allowances

These are payable, subject to certain conditions, from the end of the initial period of six months from the date of widowhood, during which widows' allowances are paid at a higher rate. A widow's pension continues, unless the widow remarries, until she reaches the age of 65 or, after the age of 60, notifies retirement from work, when it is replaced by a retirement pension. A widowed mother's allowance continues generally speaking so long as a widow has at least one child of school age or, if living at home under age 19.

Family allowances

Weekly allowances are paid for each child in the family after the first below the age limit. This is, in general, the normal school-leaving age (16), but if the child is still at school or is an apprentice with low earnings the allowance is paid until the 19th birthday.

Family income supplement

Family income supplement is payable to families with one or more children where the head of the family is and is normally in full-time work but the income of the family is low.

Attendance allowance

Attendance allowance is payable to persons who are so severely disabled, physically or mentally, that they require frequent attention or continual supervision.

Supplementary benefits: pensions and allowances

Benefits under the Supplementary Benefits Act

Under the Supplementary Benefits Act 1976 (which consolidated the Supplementary Benefits Act 1966 and subsequent legislation), every person in Great Britain of or over the age of sixteen who has left school and is not in full time work and whose resources are insufficient to meet his requirements is entitled, subject to the provisions of this Act, to benefit as follows:

- (a) if he has attained pensionable age, to a supplementary pension,
- (b) if he has not attained pensionable age, to a supplementary allowance.

Requirements and resources are computed for this purpose in accordance with Parts II and III of Schedule I to the Act, but the Supplementary Benefits Commission who administer the scheme have power in exceptional circumstances to adjust the rate of benefit so computed.

The Commission have power to award lump sum payments to meet exceptional need.

National Health: hospital services

The figures are taken from returns made half-yearly by Authorities responsible for hospitals to the Department of Health and Social Security, the Welsh Office and the Information Services Division of the Common Services Agency, Scottish Health Service.

Staffed beds

The number of staffed beds are shown as the average available during the period. Whereas prior to 1974 they were shown as the number available at the end of the period.

Occupation of beds

The figures are obtained by taking the total of the daily numbers of in-patients for the year (at the night count) and dividing by the number of days in the year. In-patients, for this purpose, are persons (other than day-cases) who have gone through the full admission procedure of the hospital and occupy a bed in the in-patient department.

Discharges and deaths

The figures shown include all patients who have gone through the full in-patient procedure and who have subsequently been discharged or have died.

Waiting list

All patients listed as awaiting admission to hospital for in-patient treatment are included under this heading with the following exceptions:

- (a) expectant mothers booked for confinement;

- (b) deferred admission cases;
- (c) transfer cases, i.e. patients already occupying beds in hospital and awaiting transfer to another department or hospital.

Out-patient attendances

Each attendance of a course or series is included in the year in which the attendance occurred. Persons attending more than one department are counted in each department.

National Health: Family practitioners' and Primary care services

Under the National Health Service Act, 1946, 119 Executive Councils in England and 15 in Wales and, under the National Health Service (Scotland) Act, 1947, 25 in Scotland administered the local medical, dental, pharmaceutical and general ophthalmic services until 31 March 1974. Under the National Health Service Reorganisation Act, 1973, these services have been administered in England and Wales since 1 April 1974 by Area Health Authorities through Family Practitioner Committees; under the National Health Service (Scotland) Act, 1972, 15 Health Boards have administered these services since 1 April 1974.

Pharmaceutical services

These figures represent the number of national health service prescriptions of drugs, medicines and specified appliances dispensed by retail pharmacies, drug stores and suppliers of surgical appliances in contract with the Committee (England and Wales) or Health Board (Scotland). Most of the items are supplied on national health service prescriptions given by the family doctors (other than those which doctors themselves dispense for their patients), but a small number is given by dentists, at national health service hospitals and clinics and at such stations of Service departments as have no dispensing facilities.

Dental services

A dentist in accepting a patient undertakes to provide the treatment needed to achieve dental fitness, except in emergency cases where the treatment is limited to certain items (e.g. the extraction of one or two teeth or a denture repair). The course is complete when this treatment—or such of it as the patient is willing to undergo—has been carried out.

The figures include full courses and emergency cases which were scheduled for payment during the period.

General ophthalmic services

These services provide for the testing of sight and, if necessary, the supply of glasses. They operate in conjunction with the Hospital Eye Service which provides for the diagnosis and treatment of diseases or defects of the eyes and for the supply of optical appliances.

Persons may have their sight tested by any ophthalmic medical practitioner or ophthalmic optician on an ophthalmic list.

A prescription for glasses may be dispensed by any ophthalmic or dispensing optician on an ophthalmic list.

A range of frames is available under the National Health Service but patients are required to pay the current specified cost of the frames selected. Patients also pay for lenses provided under the service. Subject to certain conditions, lenses supplied under the general ophthalmic services may be fitted to privately supplied frames at the applicant's specific request. Glasses for children under 10 are supplied to the patient free of charge provided that the frames are chosen from a special limited range. Children who have reached 10 years of age and either are under 16 years of age

or, if age 16 or over, are still attending full-time at school, may also receive free of charge glasses using frames from the children's range. Alternatively they may be supplied with free lenses if any other NHS frame is used: the current specified charge for the frame must then be paid. The figures of glasses paid for include all the cases described above.

A number of prescriptions given following sight tests result in glasses being supplied privately. These are not included in the figures of glasses paid for.

V. AGRICULTURE AND FOOD

Agricultural land

Area

Up to June 1969 the agricultural census related to agricultural holdings of more than one acre (0.4 hectare) in extent in Great Britain and of one acre (0.4 hectare) or more in Northern Ireland. The areas exclude woodlands, buildings, roads, yards and ponds, etc. With effect from June 1970 the census was extended in Great Britain to cover all holdings with significant output including some 2,300 holdings on one acre (0.4 hectare) of agricultural land or less. The census was also extended in the same terms in Northern Ireland with effect from June 1973. Total area of woodlands, together with all land taken up by roads, buildings, ponds, etc., on agricultural holdings is now included in figures of agricultural area.

The figures for specific crops relate to those which are actually in the ground on the date of the June census or for which the land is being prepared at that date. Any catch crops grown for livestock feed or for ploughing-in in the period between the harvest and the sowing of the next season's main crop will not be shown in the returns of agricultural area. The case is similar for horticultural crops.

Individual crop areas are returned to the nearest 0.1 hectare and include headlands, ditches and hedges attributable to the particular crop. Any crops not specified in the return or grown in patches of less than 0.1 hectare are shown under the heading Other crops.

Prior to 1975 in Scotland the permanent grass area relates to grass 7 years old or over and in Northern Ireland permanent grassland for mowing refers to grass more than 3 years old.

Harvest

Except for sugar beet and hops, the estimates of the quantity harvested of agricultural crops are obtained by combining the production areas with estimates of yield per hectare made by technical officers employed by the Ministry of Agriculture in England and Wales and the Department of Agriculture for Northern Ireland and up to 1964 by crop reporters in Scotland. From 1965 the Scottish yield estimates for wheat, barley and oats are based on sample surveys of farms and this method of estimating yields was extended to the potato crop from 1966. In England and Wales the production area of cereals and fodder crops is the area returned at June less the estimated areas on which the produce failed in the early stages, was ploughed in or, in the case of cereals only, cut green for fodder after the June census date. The production area

of hay is the area of temporary and permanent grass actually cut and harvested for hay; while that of early potatoes is the area estimated to have been harvested by 31 July (as opposed to the area returned in June as intended for harvesting by 31 July) and that of maincrop potatoes the area estimated to have been harvested after 31 July. The published estimates are prepared for all countries in November and are made on a parish basis in England and Wales, by region for Scotland and on a rural district basis in Northern Ireland. The production area of sugar beet is the area returned at June less that grown for seed; production figures are supplied by the British Sugar Corporation and the yield per hectare is obtained by dividing the production figure by the production area. Production figures of hops are supplied by the Hops Marketing Board and the area returned at June is used to obtain a yield per hectare.

In the case of horticultural crops the quantity harvested in England and Wales is calculated by multiplying yield estimates supplied by Horticultural Crop Intelligence Committees and technical officers of the Ministry by, for vegetables and small fruit, the appropriate cropped areas. The cropped areas are based on either one or more of the regular censuses covering horticultural crops, or, for certain crops, on estimates made by the Ministry. For top fruit, the area is based on the Orchard Fruit Censuses held every four years or so with estimates for the intervening years.

In Scotland the quantity harvested is calculated for ten crops (raspberries, strawberries, tomatoes, peas for canning, carrots, lettuce, cauliflower, brussels sprouts, cabbage and leeks) by multiplying yield estimates based on the results of a sample survey with areas returned at one of the two agricultural censuses, adjusted where necessary for double cropping. For other vegetables and fruit, yield estimates are supplied by technical officers of the Department.

In Northern Ireland the quantity harvested of all fruit and vegetables is calculated by multiplying yield estimates supplied by technical officers of the Department of Agriculture by the total crop area obtained from the June and December censuses. The working is on a rural district basis.

Livestock

Up to June 1969 the tables show the number of cattle, sheep, pigs and poultry as returned by occupiers of agricultural holdings on more than one acre (0.4 hectare) in Great Britain and by all owners of livestock in Northern Ireland. With effect from June 1970 the census was extended in Great Britain to cover all holdings with significant output including those on one acre (0.4 hectare) of agricultural land or less, as previously mentioned.

For England and Wales the June figures are the results of a full census; at December, returns are collected from a sample only. In Scotland and Northern Ireland both the June and December figures are the results of full censuses.

Disposals of food and animal feedingstuffs

Disposals are estimated from home production and imports, adjusted for changes in the known stocks held in warehouses, cold stores, etc. by wholesalers, importers, manufacturers and the government; they include deliveries to manufacturers of non-food products, and to exporters except where otherwise defined. As these deliveries are quantitatively important for potatoes, sugar and fish, separate figures of disposals for food in the United Kingdom are also given for these commodities. Disposals for food in the United Kingdom include use in the manufacture of other foods (e.g. sugar in jam, biscuits and sweets), certain disposals to HM Forces, and ingredients used in manufactured products which are exported. Disposals are, therefore, not the same as retail purchases.

Cereals and cereal products

Sales of home grown grains for food

For wheat the receipts of home grown supplies by flour millers are shown and small quantities subsequently sold again for animal feed are therefore included. For barley the receipts of home grown supplies by brewers, maltsters, flakers, roasters, distillers and pot barley manufacturers are shown and exported supplies are included. For oats the receipts by oatmeal millers of home grown supplies for processing into human food are shown.

Wheat and oat milling

The tables show the quantities of home produced and imported wheat milled and the amount of flour produced; the resulting production of wheat offals appears in the table of animal feedingstuffs. Stocks of wheat and flour include wheat and flour expressed in terms of wheat held by flour millers, cereal breakfast foods manufacturers, and importers and dealers. Flour disposals include exports.

Only the quantities of oats used in establishments milling primarily for human food are included in the series described as oats milled. The products of oat-milling are similarly restricted to all cuts of oatmeal, flakes, rolled oats, oat flour, groats, and any other product produced for human food. Stocks of oats are those held by main processors, including oatmeal millers, provender millers and compound feedingstuffs manufacturers. The provender millers' figures relate to Great Britain only. Stocks held by importers and dealers are also included.

Barley

Disposals for food and brewing refer to the quantities of home grown and imported grain used by brewers, maltsters, flakers, roasters, distillers, and pot barley manufacturers. Exports are included. Stocks are those held by main processors, including brewers, maltsters, distillers, provender millers and compound feedingstuffs manufacturers. The provender millers' and compounders' figures are in respect of Great Britain only. Stocks held by importers and dealers are also included.

Biscuits

The following types are included: chocolate biscuits, fully and partially coated; sweet and semi-sweet biscuits; plain and savoury biscuits; rusks, crispbread, matzos and oatcakes; wafers and cones.

Animal feedingstuffs

Maize

Not only maize and maize meal used as animal feed but supplies of maize used by manufacturers for the production of starch, glucose, cereal breakfast foods and for distilling are included. Stocks are those held by main processors, including cereal breakfast food manufacturers, provender millers and compound feedingstuffs manufacturers. Provender millers' and compounders' figures relate to Great Britain only. Stocks held by importers and dealers are also included. They include not only whole grain but some processed grain held by provender millers and compound feedingstuffs manufacturers.

Oilcake and meal

Production is a residual from the crushing in the United Kingdom of oilseeds and nuts for oil. Disposals relate to home-produced cake and meal and also imported cake and meal and include exports. Stocks are those held by main processors, including crushers, provender millers and compound feedingstuffs manufacturers. Provender millers' and compounders' figures relate to Great Britain only. Stocks held by importers and dealers are also included.

Wheat milling offals

Wheat milling offals (wheat feed) production is a residual from the milling of home-grown and imported wheat. Disposals comprise not only home-produced offals but also imported supplies and include exports. Stocks are those held by main processors, including flour millers, provender millers and compound feedingstuffs manufacturers. Provender millers' and compounders' stocks relate to Great Britain only. Stocks held by importers and dealers are also included.

Compound feedingstuffs

Only production by commercial manufacturers is included. Compound feeding-stuffs include grain balancers and concentrates. Material supplied by farmers for processing to their own requirements is excluded.

Potatoes

The figures relate to the United Kingdom; those for Great Britain have been provided by the Potato Marketing Board, and those for Northern Ireland by the Department of Agriculture for Northern Ireland.

Sales of potatoes from farms are the quantities sold for food, for processing and for export, and include an estimate for human consumption in farm households and the surplus potatoes fed to livestock or processed under Schemes for implementing the Agriculture Act, 1947. Production on allotments and gardens, potatoes used for seed, potatoes fed to livestock outside the Schemes, and surpluses for which compensation has been paid are excluded.

Disposals for food in the United Kingdom are the total quantities of potatoes, as recorded by the Potato Marketing Board, moving into human consumption from all sources except non-agricultural holdings.

Sugar

Production relates to refined and raw sugar (in terms of refined) from home grown sugar beet, as recorded by the British Sugar Corporation.

Disposals for food in the United Kingdom include sugar used in the manufacture of products such as confectionery and jams for export, as well as for home consumption; they also include the refined equivalent of sugar used in the production of syrup and treacle and other sugars, for example, invert sugar and caramel. Stocks include imported and home produced supplies of refined and raw sugar (in terms of refined) held in the United Kingdom by refiners and by the British Sugar Corporation.

Glucose

The figures cover the production of liquid and solid glucose and dextrose monohydrate.

Jam and marmalade

The figures show the quantities produced, delivered and held in stock by manufacturers. From 1 January 1975 figures are derived from the Business Statistics Office quarterly sales inquiries.

Animals slaughtered, meat produced and meat stocks

Animals slaughtered

The figures are those of animals slaughtered in the United Kingdom, including imported fat animals. From July 1954 they are derived from returns recording slayings in public and licensed slaughterhouses, including bacon factories. Unrecorded domestic slaughter and slaughter in knackeries are excluded. Slaughtering of poultry are derived through census returns together with statistics on chick-placings for, and packing-stations throughput of, table poultry.

Meat produced

From July 1954 the figures represent the estimated production of carcase meat (including trimmings from bacon pigs) and offal from slayings as defined in the preceding paragraph, and from information available on dressed carcase weights. Pig meat used for the production of bacon and ham is excluded.

Poultry meat

Estimates of production are on the basis of dressed carcase weights (oven ready) and are published only in the *Annual Abstract of Statistics*.

Bacon and ham

Production figures relate to the output of curing factories from both home-killed and imported carcases; production by pig clubs or other domestic producers is excluded.

Disposals include supplies of home produced or im-

ported bacon and ham moving into consumption and also such supplies as are used for canning in the United Kingdom. They do not include any imported canned bacon and ham.

Canned meat

Figures of production relate to all types of canned and bottled meat and meat products. Meat extracts and essences, soups and pastes are, however, excluded.

Home produced or imported meat or bacon and ham used for canning are also included in the figures of home production or imports of those commodities. From 1 January 1975 figures are derived from the Business Statistics Office quarterly sales inquiries.

Meat stocks

The figures represent the stocks of imported meat held in public cold stores, but not in stores reserved for private concerns or in undischarged cargoes. Prior to January 1964 meat stored below 14°F was excluded.

Fish and fish products

Fish

Fish, fresh, frozen and cured, excludes shellfish.

British landings, which exclude freshwater fish, are the quantities of fresh and frozen fish and edible offal landed by the home fishing fleets. Frozen fish can be landed whole, headless or as fillets and is expressed as fresh landed weight equivalent.

Total disposals and disposals for food in the United Kingdom include fresh, frozen and cured fish. Both are expressed in terms of landed weight. Fish used for canning (from 1969, excepting the canning of pet foods), whether for home consumption or for export, is included. The landed weight of fresh, frozen and cured fish which is exported, fish taken by fishmeal manufacturers, fish condemned or unsold, and from 1969, fish used for pet food manufacture is excluded. The column headed Filleted weight shows the estimated edible equivalent, on a fresh fish basis, of the fresh, frozen and cured fish intended for human consumption.

Preserved fish in cans, bottles, jars, etc.

Up to and including 1974 these figures relate to canned fish only, the principal varieties being herrings, sild, brisling and pilchards; canned roes are also included. From 1 January 1975 figures are derived from the Business Statistics Office quarterly sales inquiries and include fish in cans, bottles, jars, etc. The annual production of canned fish is published in the *Annual Abstract of Statistics*. Quarterly sales and production figures are published in Business Monitor PQ214.

Oils and fats

The quantity of oilseeds and nuts processed by crushing, expelling and extraction is recorded, and also the resulting production of crude vegetable oil.

The crude oil equivalent of the refined oils used in the manufacture of margarine and compound fat and other

foods is included in the disposals of vegetable oils, together with the crude oils used as such for soap and other industrial purposes. Exported supplies are included in the disposals.

The crude oil equivalent of the refined herring and other marine oils used in the production of margarine and compound fat is recorded as the disposal of marine oils. Between 1954 and 1959 inclusive, disposals are only of whale oil.

Butter contained in butter-blended margarine is included in the production of margarine.

Stock figures include the quantities of oilseeds and nuts, vegetable oils and marine oils respectively held by seed crushers, hardeners and refiners of oil and manufacturers of margarine, compound fat and soap.

Milk and milk products

The figures cover milk sold through the marketing schemes for use as liquid milk and for the manufacture of milk products including cream and farmhouse cheese. The quantity consumed by farm households and used on farms for butter and cream production or calf rearing is excluded.

The provision of liquid milk at a reduced price was withdrawn from 4 April 1971. Free welfare milk is, however, now available to expectant mothers and all children under school age in low income families; expectant mothers with two children under school age and all but the first two children in families with three or more children under school age regardless of income; handicapped children between the ages of five and sixteen not registered at a school or special school and children attending an approved day nursery, play group or child minder.

Up to September 1968, free milk was provided in all schools, but from that date it was restricted to pupils at primary and special schools maintained by local education authorities. However, since September 1971 the Government has provided free milk in schools for all primary school (including nursery and infant school) children under the age of seven and all pupils at approved special schools irrespective of age. Free milk is also available on medical grounds to children at primary schools over the age of seven. Other categories of children may receive free milk in some schools, but this is outside the Government's school milk scheme and is paid for and provided by the local education authority.

Milk products

Figures for butter relate to the output of home creameries and are based on milk usage; production of butter on farms is excluded. Butter stocks represent quantities held in public cold stores, but not in stores reserved for private concerns or in undischarged cargoes.

Figures for cheese relate to all home produced cheese other than the small quantities produced on farms outside the Farm Cheesemakers' Scheme. Figures for processed cheese are excluded as it is a re-manufacture of home produced and imported cheese.

The condensed milk and milk powder series relate throughout to the quantities produced from full-cream or skimmed milk.

Eggs in shell

Disposals show the estimated quantities of hen and duck eggs produced for consumption in shell and for processing for human consumption in the United Kingdom, together with imported eggs. Sales for food relate to output for human consumption of hen and duck eggs.

Canned and bottled fruit, canned vegetables and canned soups

Fruits canned or bottled in the United Kingdom include home grown plums, apples, all varieties of soft fruit, and rhubarb; fruits such as peaches, pears and pineapples, imported either fresh or in containers, and canned here are also included. Stocks are those held by manufacturers.

The chief varieties of vegetables canned are peas (either fresh or processed) and beans in tomato sauce, but carrots, potatoes and other roots, certain green vegetables, and macaroni and spaghetti in tomato sauce are also included. Stocks are those held by manufacturers.

Vegetable soups are included in the figures of canned soups. The production of canned soups relates to the ready-to-serve equivalent from 1961 onwards; earlier figures relate to the net can content. From 1 January 1975 figures are derived from the Business Statistics Office quarterly sales inquiries.

Foods specially prepared for invalids, babies and young children are excluded.

Cocoa beans

Disposals are the quantities of raw cocoa beans used for grinding in the United Kingdom and exclude re-exports.

Chocolate and sugar confectionery

Medicated confectionery is excluded. Disposals include exports but not re-exports. Stocks are those held by manufacturers only.

Tea

Disposals are the quantities moving into consumption and exclude re-exports. Stocks comprise tea held in public warehouses including the quantity entered for Customs but not yet landed, and amounts held by primary wholesalers.

Raw coffee

Disposals are the total quantities, in terms of raw coffee equivalent, used for all purposes. They include re-exports of raw beans and exports of processed coffee. Stocks comprise raw coffee in public warehouses and in transit to such warehouses and, since 1963, manufacturers' stocks.

Soft drinks

Concentrated (squashes, cordials, etc.) and unconcentrated (table waters, etc.) drinks are differentiated. Glucose and diabetic drinks and fruit juices (including unfermented apple juice but not tomato juice) are included. Production from flavouring compounds is also included but not the

production of flavouring compounds as such, nor of soft drinks in solid form; spa waters are not included. From April 1973 figures relate to sales figures taken from the Business Statistics Office quarterly sales inquiries.

Tobacco

The figures are supplied by HM Customs and Excise.

Warehouse stocks

Stocks figures relate solely to the quantities of imported unmanufactured tobacco actually remaining in the bonded warehouses of the United Kingdom at the end of each period; quantities in transit between ship and warehouse, or in transit between warehouses, are excluded.

Quantities duty-paid

Most of the tobacco smoked in the United Kingdom is imported as leaf tobacco and manufactured into cigarettes, etc., after arrival. Normally duty on tobacco leaf is paid, not at the time of importation, but subsequently when the tobacco is removed from bonded warehouses into the tobacco factories. From 10 May 1976 an excise duty has been charged on tobacco products; this duty is charged on removal of the finished products from the factory or, in the case of imported manufactured products, removal from warehouse to home use. Duty is repaid on exports, etc. and on certain tobacco waste. Duty on tobacco substitutes is chargeable as though they were tobacco, but quantities are not separately identified in the tables.

Unmanufactured leaf

Rates of duty. The quantities shown distinguish between tobacco admitted at the rates applicable to tobacco from the Commonwealth and from other countries.

Manufactured products

These figures show the quantities of tobacco which are imported in manufactured form. They also include Cavendish (i.e. sweetened tobacco) manufactured from imported leaf in bonded premises in the United Kingdom.

Net quantity duty-paid

This figure shows the amount of duty-paid tobacco retained for consumption in the United Kingdom.

Alcoholic drinks

The figures are supplied by HM Customs and Excise, who can supply more detailed information if required.

Spirits

The quantities are given in proof gallons. Proof spirit is spirit which at a temperature of 51°F. weighs 12/13ths of an equal volume of distilled water. It contains 49.28 per cent of alcohol by weight or 57.1 per cent by volume at 60°F. At 70 degrees proof (the typical strength at which most whisky is sold in the United Kingdom) a proof gallon is equivalent to about 8½ normal bottles.

Production figures in the *Monthly Digest* show the quantity of spirits distilled from malt and from unmalted grain

for beverage consumption. The *Annual Abstract* series includes, in addition, a small quantity of beverage spirits produced by rectification of spirits distilled from molasses; in the financial year ended 31 March 1976 this amounted to about 0.46 million proof gallons a month.

The consumption figures show the net quantities of spirits on which duty was paid, analysed by their description at the time of duty payment. (Repayments are offset against the month in which the revenue is repaid.) Mature spirits are spirits which have been warehoused for three years or more: delivery of immature spirits for home consumption is restricted to compounded or rectified spirit.

Imported liqueurs: these comprise spirits, whether mature or immature, which at the time of duty payment contain added sweetening materials. A small quantity measured in liquid gallons (instead of proof gallons) is included. (Liqueurs manufactured in the United Kingdom are made from spirit on which the duty has already been paid and HM Customs and Excise therefore are unable to provide figures of the quantity of such liqueurs.)

Other imported immature spirits: comprises mainly neutral spirit imported for compounding into British gin, etc., and includes Geneva and some types of unsweetened vodka.

Home-made mature spirit: this is almost exclusively whisky.

Home-made immature spirit: this comprises the quantity of plain spirit duty-paid prior to rectification or compounding, less the quantity of compounded spirit re-warehoused on drawback after rectification, etc., plus the quantity of compounded, etc. spirit duty-paid ex-warehouse for final consumption. The addition of the two columns for immature spirits shown in the *Monthly Digest* table gives a rough indication of the consumption of gin and vodka in the United Kingdom.

Medical spirit: until 8 August 1972 duty-paid spirits used in the manufacture of recognised medical preparations or for scientific purposes were entitled to rebate of any duty in excess of that in force before 1918, when the basic rate was the equivalent of 73.75p per proof gallon. A corresponding reduction of duty was made in respect of spirits contained in imported medical preparations. On 8 August spirit for medical purposes was relieved of duty.

Beer

Production figures relate to the quantity of worts produced during the period less a standard deduction of 6 per cent, 'worts' being the liquid produced from the mash before fermentation has begun. The average original gravity is now about 1,037.7 degrees.

Consumption figures show the net quantities of beer, including imported beer, on which duty was paid during the period. Repayments, e.g. on spoilt beer, and drawbacks, are offset against the month in which the revenue is repaid.

The figures in each case are given in bulk barrels of 36 gallons irrespective of the gravity at which they are brewed. Duty is payable on imported beer at the time of import; on home-produced beer it is normally payable in the month following the month of production.

Wine

The consumption figures show the net quantities duty-paid. Wine is any fermented beverage made from fresh grapes including fortified wines and vermouths. The classification between heavy wines and light wines is based on the proof

spirit content: until 1 January 1976, light wine was wine not exceeding 27 degrees proof spirit in the case of wine entitled to Commonwealth rates of duty or 25 degrees in the case of other wine. From 1 January 1976 the point of division became 26·2 degrees in all cases. Fortified wines such as sherry or port are normally heavy wines and table wines are light.

From 1 January 1976, the statistics include a very small amount of UK-produced wine of fresh grapes which was previously classified as British wine, and exclude a very small amount of imported beverages now described as made-wine.

British wine and made-wine

Made-wine (new description operative from 1 January 1976) is any fermented beverage other than wine of fresh grapes, beer, non-excisable cider and perry. It includes cider and perry of artificially high strength. It differs from British wine (the series shown prior to January 1976) only in that a very small quantity of UK-produced wine of fresh grapes is excluded and a very small amount of imported beverages, previously classified as imported wine, is included. The consumption figures are the net quantities duty-paid in the period.

Household food expenditure and consumption

The sample

In the course of a year the National Food Survey investigates the food budgets of about 8,000 households in 46 parliamentary constituencies, selected so as to be representative of Great Britain as a whole. In each household surveyed the housewife keeps a record for one week of all food purchased or entering the house without payment. A more detailed description of the sampling methods of the National Food Survey is given in the Annual Report for 1974. *Household Food Consumption and Expenditure: 1974* (HMSO 1976).

Free supplies (garden, allotment produce, etc.) are included in the consumption figures with the result that average prices or values derived from the data published in the *Monthly Digest of Statistics* may be understated. (Estimates of average prices paid by housewives for over a hundred and fifty food items, however, are to be found in the Annual Reports of the National Food Survey Committee.)

Household

A group of persons living in the same dwelling and sharing common catering arrangements. The size of household is defined in terms of the number of persons who spend at least four nights in the household during the week of survey and also have at least one meal a day from the household food supply on at least four days. The head of the household and the housewife are regarded as persons in all cases.

Old age pensioner households

Households in which at least three-quarters of the total income is derived from national insurance retirement or similar pensions and/or supplementary pensions or allowances paid in supplementation or instead of such pensions. Such households will include at least one person over the national insurance retirement age.

Adult

A person aged 18 years or over.

Child

A person under 18 years of age.

Food purchased

Quantities of all foods purchased during the week for consumption in the home (but including *purchases* of milk at school). The Survey excludes food eaten outside the home (except packed meals prepared at home), chocolate and sugar confectionery, soft drinks, alcoholic drinks, vitamin preparations, and food obtained specifically for consumption by domestic pets. For a few minor miscellaneous items, expenditure is recorded, but not the quantity (e.g. artificial sweeteners, flavourings and colourings, etc.).

Free food

Quantity of food entering the household without payment for consumption during the Survey week. Milk supplied under the Milk in Schools Scheme is included although it does not actually enter the household. Food grown or produced by the household and stored in bulk is recorded only when it is withdrawn from store.

Consumption

Averaged over a sufficiently large number of households and a sufficiently long period, the average quantity of food purchased *plus* the quantity of 'free' food will equal the average consumption if there is no general change in the level of larder stocks.

Classification of foodstuffs

Other milk

Includes condensed milk, dried milk, yoghurt, goats' milk, skimmed milk (liquid and dried) and buttermilk.

Preserves

Include jams, jellies and curds, marmalade, syrup, treacle, honey and honey spreads.

Other cooked and canned meats

Include corned meat; luncheon meat; pressed or cooked beef, veal, mutton, lamb, pork; veal and ham; tongue; brawn; meat puddings and pies; ready meals (but not frozen).

Other meat products (not canned)

Include meat pies; sausage rolls; pasties; puddings; ready meals (includes frozen convenience meat products).

Fish, fresh and processed

Includes smoked, dried, salted, cooked; pastes, spreads, etc.

Fish and fish products, frozen

Include frozen white fish (cod, haddock, plaice, etc.) and frozen convenience fish products (e.g. fish fingers).

Fresh green vegetables

Include fresh cabbages, brussels sprouts, cauliflower, leafy salads, peas, beans, spinach, sprouting broccoli and kale.

Other fresh vegetables and frozen vegetables

Include root vegetables; cucumbers; mushrooms; frozen vegetables and frozen vegetable products (including potatoes).

Potatoes

Include new and old potatoes, but not canned potatoes, chips, crisps and other potato products.

All other fresh fruit

Includes pears, stone fruit, soft fruit, bananas, rhubarb, melons, etc.

Bread

Includes rolls, Vienna and French bread, barley bread, fruit and malt bread, rye bread and starch-reduced bread.

All other foods (for which expenditure only is shown)

Includes cream, rabbit, hare, horse meat, etc.; cooking oils, suet, dripping, etc.; canned vegetables other than pulses, potatoes or tomatoes; dried vegetables; processed potatoes and vegetable products other than frozen; frozen fruit, fruit juices; canned milk puddings, rice, certain other cereal foods and products (including frozen); bean and ground coffee, coffee essences, branded food drinks; baby foods; spreads, dressings; dehydrated and powdered soups; bones, meat and yeast extracts, table jellies; condiments, herbs, flavourings, gravy powders, spices, curry powders; ice cream bought to serve as part of a meal, artificial sweeteners; novel protein foods.

VI. PRODUCTION, OUTPUT AND COSTS

Index of industrial production

This index is prepared by the Central Statistical Office in collaboration with the Statistics Divisions of government departments. It has been calculated with 1970 as base year for each month from January 1968. Its purpose and methods of compilation are described in *Studies in Official Statistics No. 25: The measurement of changes in production* (HMSO July 1976). Quarterly seasonally adjusted series from 1952, and annual series from 1948, reclassified as far as possible on to the 1968 Standard Industrial Classification, have been linked to the 1970 based series and were published in *Economic Trends*, November 1973.

The index is intended to provide a general measure of monthly changes in the volume of industrial production in the United Kingdom. Mining and quarrying, manufacturing, construction, and gas, electricity and water are included; but agriculture, trade, transport and finance and all other public and private services are excluded. The index covers the production of both capital goods and consumption goods for the home market, for export and for the armed forces.

The index is a weighted arithmetic average. In combining the individual production series, the method used has been to give each industry a weight proportional to its net output in 1970 derived from the Census of Production for that year. The net output figures given in the published reports of the Census have been adjusted by deducting the estimated amounts paid for services rendered to the industries by firms outside the field covered by the index, such as advertising and insurance, since these represent production in the 'services' sector of the economy.

Although some of the series used are quarterly, the majority are for weeks or calendar months. Wherever possible the series represents physical quantities produced. For some industries, e.g. construction, series of the value of production adjusted for changes in prices are used. For a number of industries for which production figures are not available, increasing use is being made of comprehensive quarterly sales inquiries and in these cases also the value is adjusted for changes in prices. For a few industries for which output figures are not available, alternative

series, e.g. based on numbers of persons employed, have been used.

The level of production is expressed as a percentage of the average monthly production in 1970. To ensure comparability between different months, adjustments have been made (where the basic figures refer to calendar months) for variations in the number of days in each month, excluding for each industry those which are not normally working days. The index thus compares the average weekly rates of production in the different months. It reflects, however, any change in production resulting from public and other holidays and from seasonal factors, for which no adjustments have been made.

Adjustments for seasonal variations

Indices which have been adjusted for holidays and other causes of seasonal variation are also prepared. These series are designed to eliminate normal month to month fluctuations and thus to show the trend more clearly.

Adjusting for seasonal variation is more hazardous than adjusting for the varying number of working days in a month. It is to some extent dependent on judgment and interpretation and is partly based on the assumption that the seasonal pattern of recent years will recur in the year ahead. Since the seasonal pattern may be changing, the month to month variations have to be kept under review and periodically the seasonal adjustment factors are reassessed.

The estimates of seasonal movement are obtained in two steps. The indices of production as published are already adjusted for differences in the number of days in each month and the first step is to estimate the movement in the indices arising from moveable public holidays. The indices are adjusted to remove the effect of these holidays, and further adjusted so that the annual average is equal to the average of the unadjusted indices.

The second step is to determine the remaining seasonal variations (including those due to regular public holidays) by averaging percentage deviations in each month from a succession of moving averages. These averages are used to calculate a seasonal adjustment factor for each month;

this may change from year to year if the seasonal pattern is altering. The method of seasonal adjustment which is currently being used for this index is the X-11 variant of the Census Method II Seasonal Adjustment Program which is described in *Technical Paper No. 15* of the US Department of Commerce, Bureau of the Census.

These seasonally adjusted series of indices should not be regarded as in any way more reliable than the unadjusted, and are not intended to replace them. The original unadjusted series are the measures of changes in the weekly rate of production from month to month while the seasonally adjusted series, which exclude regularly recurring fluctuations, are designed for the sole purpose of making the trend more readily discernible.

Industrial classification

The industrial analysis of the index is in conformity with the *Standard Industrial Classification* (HMSO 1968) to which reference should be made for details of the composition of each industrial group.

Market sector analysis

These groupings combine the output of industries which meet broadly similar categories of demand. They were introduced and described in *Economic Trends*, November 1973. It should be noted that movements in the output of these sectors will not correspond with movements in similar categories of expenditure; because, for example, not all of the output of an industry which produces consumer goods will form part of consumers' expenditure in the United Kingdom since part of the output is likely to be exported. Similarly, not all of the output of investment goods industries will contribute to capital formation.

Output per head

For this series output for the economy as a whole is the

output-based measure of the gross domestic product. This series is used to achieve consistency with the industrial analysis for which the measures of output are the constituent series of the index of production. Output per head is defined as the output per person employed i.e. the denominator includes employees in employment, employers and self-employed persons, including both full-time and part-time workers as full units.

Indices of labour costs

The index of total home costs per unit of output is the ratio of the expenditure-based gross domestic product at current and constant prices. In the series for both wages and salaries and labour costs the denominator is the income-based gross domestic product at current prices deflated by the series for total home costs.

Labour costs include not only wages and salaries but also employers' national insurance contributions, selective employment tax *less* premiums and refunds, contributions to the Redundancy Fund and to superannuation schemes, pension funds, etc.

Both the series for output per head and labour costs were first published in *Economic Trends* (October 1968) and the *Employment and Productivity Gazette* (October 1968). The article accompanying the series describes in greater detail the construction and significance of the figures.

From January 1972 the annual indices of wages and salaries and labour costs per unit of output for certain industrial groupings are replaced by a monthly index of wages and salaries per unit of output in manufacturing industries prepared by the Department of Employment. The series was first published on page 360 of the *Department of Employment Gazette* (April 1971) where the construction and significance of the figures are described in detail. The annual series for the selected industrial groupings will continue to appear in the *Department of Employment Gazette*.

VII. ENERGY

Inland energy consumption: input of primary fuels and equivalents

Coal

Consumption by primary and secondary fuel producers *plus* colliery disposals to final users, *plus* (for annual figures only) net foreign trade and stock-change in other solid fuels.

Petroleum

Refinery throughput of crude oil, *plus* net foreign trade and stock-change in petroleum products, *less* deliveries of non-energy products.

Natural gas

Indigenous natural gas produced, less gas flared or re-injected, *plus* colliery methane piped to the surface and consumed at collieries or sold, *plus* imported natural gas. Natural gas supplied for non-energy purposes is included.

Nuclear electricity

Electricity generated by public supply nuclear power stations together with estimates of electricity generated for public supply by other nuclear sources.

Hydro electricity

Electricity generated by public supply and industrial hydro stations (excluding pumped storage stations) adjusted to take account of the net quantities of electricity imported.

Coal and oil equivalent

The conversion factors used are:

1 tonne of petroleum = 1.67 tons of coal

255 therms of natural gas = 1 ton of coal

Nuclear and hydro electricity are converted to coal equivalent according to the amount of fossil fuel that would be needed to produce the same quantities of electricity at the efficiency of contemporary conventional steam stations.

Temperature corrections

The corrections used are:

Temperature correction per degree centigrade	
Coal	2·1%
Petroleum	0·7% (June–Aug.)
	1·8% (Sept.–May)

The adjusted total inland energy consumption series includes temperature corrections for coal and petroleum. The figures for consumption of other primary fuels are not corrected for temperature.

Supply and use of fuel

Production of primary fuel

Coal. Includes all types of coal. Slurry, whether recovered by the National Coal Board or by other operators is included.

Petroleum. Crude petroleum and natural gas liquids, both onshore and offshore.

Natural gas. As described under inland energy consumption.

Primary electricity. Nuclear and hydro electricity as described under inland energy consumption except that no adjustment is made for net quantities of electricity imported.

Non-energy use

Petroleum products not used as fuels i.e. feedstock for petroleum chemical plants, industrial and white spirits, lubricants, bitumen, waxes and miscellaneous products.

Total primary energy

This is the sum of the thermal contents of primary fuels consumed by secondary fuel producers and those consumed directly by final users and primary fuel producers. The difference between this total and the total thermal content of all fuels consumed by final users comprises:

- use of fuels by collieries (other than for generation of electricity for sale to the public supply) and oil refineries and by secondary fuel producers for other than conversion;
- losses in the distribution of primary and secondary fuels, losses by secondary fuel producers in conversion processes and fuel industries own use.

The thermal content of primary fuels consumed by secondary fuel producers consists of their thermal inputs of coal, petroleum and natural gas plus the thermal equivalent of the fossil fuel which would be required to produce nuclear and hydro electricity as defined above under 'Coal and oil equivalent'.

Final consumption

Detailed definitions of the final consuming sectors are given in the *Digest of United Kingdom Energy Statistics* (HMSO) prepared by the Department of Energy.

Conversion to therms

In expressing fuel consumption in therms, no conversion is necessary for gases (except petroleum gases). Electricity is converted at 29·3 kWh = 1 therm. The estimated gross calorific values used to convert the statistics for petroleum

gases and solid and liquid fuels are published in the *Digest of United Kingdom Energy Statistics*.

Coal: supply

Net inland supply

The sum of total production and net imports.

Deep mined coal

Production figures relate to saleable output, i.e. the sum of the coal sold commercially, consumed by the colliery and supplied to ancillary works, and disposed of free and at concessionary prices, plus the increase or less the decrease in colliery stocks of saleable coal. Slurry and coal recovered from colliery tips by the National Coal Board is included in deep mined production when sold or consumed at the colliery. Estimates for slurry recovered other than by the National Coal Board are included in total production only.

Opencast coal

Coal which is not mined but is obtained from deposits near the surface mainly by contractors. Screening and washing losses are excluded.

Coal: imports and exports

The figures are derived from returns made by importers and exporters to HM Customs and Excise, and published in summary form in the *Overseas Trade Statistics of the United Kingdom* (HMSO).

Coal: inland consumption

Collieries

Coal used for boilers, colliery power stations and other purposes.

Power stations

Coal used for all purposes at public supply power stations and railway and other public transport undertakings.

Coke ovens

Coal carbonized, consumed for other purposes or lost in cleaning at coke ovens.

Gas works

Coal used for all purposes at gas works making gas for public supply.

Other conversion industries

Consumption of coal at low temperature carbonization plants and briquette works.

Industry

Coal used for all purposes at other industrial establishments. From October 1973, the figures relate to disposals by the National Coal Board.

Domestic

House coal: Prior to April 1973, the figures relate to sales by merchants mainly to domestic consumers and coal supplied by collieries free of charge or at reduced prices to

miners and their dependants, officials, clerks and other salaried persons employed at mines, miners' welfare bodies and other authorised persons and institutions. A small proportion of merchants' sales of house coal was to shops, offices, hotels, etc, and to small industrial consumers. From April 1973 the figures relate to disposals by the National Coal Board.

Other: includes anthracite, dry steam coal and imported naturally smokeless fuels. Prior to April 1973, the figures for anthracite and dry steam coal relate to sales by merchants mainly to domestic consumers. From April 1973 figures are of disposals by the National Coal Board and imports.

Other

Disposals by the National Coal Board to national and local authorities, commercial and non-industrial establishments, transport undertakings (excepting power stations) and shipments to the Channel Islands.

Coal: stocks

Distributed stocks are those held by the fuel conversion industries, and by railways and the armed services. Undistributed stocks are those held at collieries, opencast sites and central stocking grounds.

Mined coal: manpower and productivity

Figures for manpower, recruitment and wastage, absence and output per manshift relate only to mines operated by the National Coal Board.

Wage earners on colliery books

Workers in industrial grades employed at collieries and in activities connected with the getting, raising, handling, preparation and transport of coal, or other minerals got with coal, up to the point of despatch to consumers outside the colliery. These activities include coal preparation plants, pithead baths, gas works and power stations forming part of the colliery, and landsale depots forming part of the colliery for accounting purposes, but exclude central workshops, internal railways and tramways and central power stations. Industrial grade workers include colliery under-officials up to the rank of overman but exclude under-managers, other administrative staff and clerical workers.

Workers absent with good reason and known to be intending to return are retained on colliery books up to fifteen months. Workers absent without good reason are normally removed from the books at the end of the third consecutive week of absence.

Recruitment

The number of men signed on at collieries during the period excluding men known to have transferred from another colliery without a break in their service.

Wastage

The number of men struck off colliery books during the period *less* the number of men excluded from recruitment as transfers from other collieries.

Absence

The percentage of authorised absences, mainly for reasons of sickness or injury, *plus* unauthorised absences in the five-day week to the number of men on books multiplied by the number of days in the period excluding Saturdays and Sundays.

The absence percentage is based on all men on colliery books including long-term sickness and injury cases. Absentees do not, however, include men attending training classes, trade union or Consultative Committee meetings, or men who lose shifts on account of recognized holidays, disputes and other causes of stoppages of work.

Output per manshift

The output of saleable coal from revenue working divided by the total number of manshifts worked on revenue account.

Gas: public supply

The public gas supply system consists of the British Gas Corporation and the gas supply undertakings in Northern Ireland.

Natural gas supply

This is the total natural gas input into the distribution system after stock changes at British Gas Corporation installations have been taken into account. Indigenous supplies include those purchased by the British Gas Corporation from operators on the United Kingdom part of the Continental Shelf as well as from those operating on land in this country.

Other fuel used

The coal and oil used by the gas supply industry for gas making and for all other purposes.

Gas sent out

Town gas includes gas made together with manufactured and natural gas purchased by the gas supply industry and reformed. Natural gas for direct supply is not reformed and includes gas supplied for non-energy purposes.

Sales of gas: public supply

Gas sales include adjustments to the quantities billed to allow for the estimated consumption remaining unread at the end of each period. The figures of gas supplied to the iron and steel industry are based on information provided by that industry.

Electricity: public supply

The public supply electricity industry comprises the Central Electricity Generating Board and Area Electricity Boards in England and Wales, the North of Scotland Hydro Electric Board, the South of Scotland Electricity Board and the Northern Ireland Electricity Service.

Fuel used

The factors used for conversion fuels to coal equivalent are given under 'Coal and oil equivalent' above.

Own use

This is the difference between total electricity generated and electricity supplied, and is the electricity used at the works for lighting and auxiliary power, and for pumping at pumped storage stations.

Total electricity available

This comprises electricity supplied from public supply stations *plus* purchases from industrial producers (mainly nuclear power stations of the United Kingdom Atomic Energy Authority and British Nuclear Fuels Limited) *plus* net imports from France and Eire. The figures for England and Wales take account of net exchanges with Scotland.

Sales of electricity: public supply

Sales are less than total electricity available because of losses in transmission and distribution, and, up to 1972, consumption by the supply industry's offices and showrooms. From 1973 supplies to showrooms are included with shops in total sales. The sales figures included for England and Wales contain adjustments to billed sales to allow for estimated usage remaining unread at the end of each period; those included for Scotland and Northern Ireland are on a billed basis, excepting that, since 1973, the annual figures and the quarterly analysis of annual figures included for South of Scotland have been similarly adjusted.

Electricity: public supply plant capacity

Output capacity

The maximum continuous rating of the generators after allowing for station consumption and any limitations in the capacity of prime movers. The change in output capacity differs from the amount of new plant brought into commission, not only because of scrapping of old plant but also because of re-rating of plant continuing in use.

Maximum load United Kingdom

The simultaneous maximum load in Great Britain together with the maximum load met during the period, although not necessarily at the same time, in Northern Ireland. Annual figures are the maximum occurring near the end of the year or early in the following year.

Simultaneous maximum load is defined as the maximum load on the grid at any one time *plus* the load on stations not connected to the grid. For Great Britain it is the sum of the maximum load met by the Central Electricity Generating Board and the loads met at the same time by the two Electricity Boards in Scotland.

Petroleum

Gross indigenous production

This is the amount of crude petroleum and natural gas condensates produced on land and in the UK part of the Continental Shelf. This quantity is as recorded before deduction for utilities use or adjustment for change in stocks on platform (including tanker loading systems) or losses.

Arrivals and shipments

The terms 'arrivals' and 'shipments' are used to distinguish figures recorded by importers and exporters of oil from import and export figures provided by HM Customs and Excise. Arrivals and shipments are used in order to be consistent with the other statistics reported by the petroleum industry.

Refinery production

Crude and process oils comprise all feedstocks, other than distillation benzenes, for treatment at refinery plants. The figures do not cover the further treatment of finished products for special grades such as in distillation plants for the production of industrial spirits.

Inland deliveries into consumption

Deliveries of all petroleum products in the United Kingdom and the Channel Islands including petroleum substitutes marketed by the petroleum industry. Coal tar fuels, natural gas and refinery fuel are excluded. Otherwise, the figures are inclusive of the petroleum industry's own use.

Gas/diesel and fuel oils used in coastal and fishing craft are included in inland deliveries, but deliveries under bunker contracts for ships engaged in foreign trade are excluded.

Deliveries of motor spirit to dealers comprise deliveries to garages and other retailers. Commercial consumers are those receiving direct deliveries for use in their own businesses.

Products used as fuel

Refinery fuel—all petroleum products used as fuel at refineries.

Propane—hydrocarbon containing three carbon atoms, gaseous at normal temperature but generally stored and transported under pressure as a liquid. Used mainly for industrial purposes and some domestic heating and cooking.

Butane—hydrocarbon containing four carbon atoms, otherwise as for propane. Additional uses—as a constituent of motor spirit to improve volatility and as a chemical feedstock.

Other gases for gas works—ethane and refinery gases resulting from the processing of crude petroleum.

Naphtha (light distillate feedstock) for petrochemical plants and gas works—petroleum distillate boiling predominantly below 200°C.

Aviation spirit—specially blended light hydrocarbons intended for use in aviation piston-engined power units.

Wide-cut gasoline—light hydrocarbons intended for use in aviation gas-turbine power units.

Motor spirit—blended light petroleum distillates used as a fuel for spark-ignition internal combustion engines other than aircraft engines.

5 star grade—all finished motor spirit with an octane number (research method) not less than 100.

4 star grade—all finished motor spirit with an octane number (research method) not less than 97.

3 star grade—all finished motor spirit with an octane number (research method) not less than 94.

2 star grade—all finished motor spirit not intended for marketing as 5, 4, or 3 star grades.

Aviation turbine fuel—specially refined kerosine intended for use in aviation gas turbine power units.

Burning oil (kerosine)—refined petroleum distillate intermediate in volatility between motor spirit and gas oil, used for lighting and heating. Excluding distillates which are included under white spirit and kerosine used for lubricant blends.

Vaporizing oil—blended kerosine-type petroleum distillate used in certain types of spark-ignition engines such as those used for agricultural purposes, stationary engines and boats.

Gas/diesel oil—petroleum distillate having a distillation range intermediate between kerosine and light lubricating oil.

(a) *Derv (Diesel Engined Road Vehicle) fuel*—gas/diesel oil suitable for use in high-speed, compression-ignition engines in road vehicles subject to Vehicle Excise Duty.

(b) *Other*—used in furnaces for the production of heat (e.g. for central heating), in diesel engines of vehicles not subject to Vehicle Excise Duty (e.g. diesel locomotives, tractors, earth moving equipment) and in stationary diesel engines and gas turbines (e.g. for the generation of electricity and for air compressors etc.).

(c) *Marine diesel oil*—heavier type of gas oil suitable for heavy industrial and marine compression-ignition engines.

Fuel oil—heavy petroleum distillates or petroleum residues or blends of these used in furnaces for the production of heat or power. Excluding fuel oil for grease making or lubricating oil and fuel oil sold as such for road making.

Products not used as fuel

Feedstock for petroleum chemical plants—all petroleum products intended for use in the manufacture of petroleum chemicals. (A deduction has been made from these figures equal to the quantity of feedstock used in making the conventional petroleum products which are produced during the processing of the feedstock. The output and deliveries of these conventional petroleum products are included elsewhere as appropriate.)

White spirit—a highly refined distillate with a boiling range of about 150° to 200°C used as a paint solvent and for dry cleaning purposes, etc.

Industrial spirits—refined petroleum fractions with boiling ranges up to 200°C dependent on the use to which they are put—e.g. seed extraction, rubber solvents, perfume, etc.

Lubricating oils (and greases)—refined heavy distillates obtained from the distillation of petroleum residues. Includes liquid and solid hydrocarbons sold by the lubricating oil trade, either alone or blended with fixed oils, metallic soaps and other organic and/or inorganic bodies.

Bitumen—the residue left after the production of lubricating oil distillates. Used mainly for road making and building construction purposes. Includes other petroleum products, creosote and tar mixed with bitumen for these purposes and fuel oil sold as such for road making.

Paraffin wax—includes paraffin wax, which is a white crystalline hydrocarbon material of low oil content normally obtained during the refining of lubricating oil distillate, paraffin scale, slack wax, microcrystalline wax and wax emulsions. Used for candle manufacture, polishes, food containers, wrappings, etc.

VIII. CHEMICALS

Fertilizers

Natural organic fertilizers are excluded from the statistics. Figures are of manufactured fertilizers. The nutrient content figures are free of double counting of materials at different stages of manufacture.

Manufactured fertilizers may be straight (i.e. containing only one of the three primary nutrients— P_2O_5 , phosphate; N, nitrogen; and K_2O , potash) or compound (i.e. containing either two or three of these primary nutrients). The figures of production and home deliveries of compound fertilizers (including concentrated complete fertilizers) are expressed in terms of total weight. Home deliveries of compound fertilizers (to merchants and farmers) include imported fertilizers.

Figures of the production and deliveries of the three primary fertilizers are expressed in terms of nutrient content—phosphate, nitrogen and potash—and are as follows:

Phosphatic fertilizers (P_2O_5)

The production figures cover superphosphate, triplesuperphosphate, ground basic slag (slag ground in the United Kingdom from home produced and imported raw slag), ground phosphate (imported phosphate rock ground in the United Kingdom), treated phosphate and concentrated complete fertilizers.

The home deliveries figures cover the fertilizers mentioned above, delivered either straight or in compound form to merchants and farmers for final use. Imported fertilizers are, however, included.

Nitrogenous fertilizers (N)

Production figures cover lime ammonium nitrate, concentrated complete fertilizers, nitrogen potash, ammonia liquor, urea and ammonium nitrate produced for use as fertilizers at home and abroad; the production of ammonium sulphate is also covered, although in this case exports may include some element of industrial usage.

The home delivery figures cover the fertilizers mentioned above, plus imported fertilizers (i.e. Chile nitrates of soda and potash, ammonium phosphate, cyanamide, ammonium sulphate nitrate, ammonium sulphate, lime ammonium nitrate and other compound fertilizers), whether for final use or for use in the manufacture of compounds.

Potash fertilizers (K_2O)

The home deliveries figures cover imported material delivered to first buyers whether for final use or for use in the manufacture of compounds.

Liming materials

The figures show tonnages included in applications for

Exchequer contribution under the Agricultural Lime Schemes. They relate to all forms of calcium oxide, calcium hydroxide and calcium carbonate, that is, lump, kibbled and ground burnt lime, hydrated lime, ground limestone, lump, screened and ground chalk, calcareous sea sand, factory waste, etc., which are commonly used for the liming of agricultural land. Payment of contribution ceased on lime delivered after 30 September 1976.

Sulphur and sulphuric acid

Sulphur, pyrites, etc.

The figures relate to acid sulphur, pyrites, spent oxide, anhydrite and zinc concentrates for use in the manufacture of sulphuric acid. Figures for acid sulphur include recovered sulphur and the sulphur content of filter cake, H₂S and ferrous sulphate.

Stocks of acid sulphur and pyrites include quantities held by consumers and in transit in the United Kingdom. Government stocks are excluded. Stocks of spent oxide are the quantities at acid works.

Sulphuric acid (as 100 per cent acid)

Consumption figures include recovered sulphuric acid.

Dyestuffs and pigments: paint and varnish

Dyestuffs and pigments

The figure for synthetic dyestuffs includes the following groups: acid; azoic; basic; direct; disperse; mordant; sulphur; solvent and vat.

Synthetic organic pigments include toners and lakes.

Sales are stated in terms of actual weight i.e. the total weight of a pigment or dyestuff.

Paint and varnish

The figures relate to sales by manufacturers employing 25 or more persons at the beginning of that year. Figures for cellulose-based paints, varnishes and lacquers include clear solutions and pigmented cellulose paints. Other includes oil and synthetic based non-aqueous paints; marine paints (anti-fouling and anti-corrosive paints and compositions for use below water-line only); bituminous paints.

From January 1971, figures are based on a new quarterly enquiry.

Synthetic resins and plastics materials

The figures in the first table, up to the end of 1972 relate to thermosetting and thermoplastic materials; in general terms, the former have the property of hardening on the application of sufficient heat and of not softening on the further application of heat; the latter have the property of softening on the application of heat and of hardening when cooled.

Figures are given—for thermosetting and for thermoplastic—separately for synthetic resins and for plastics materials derived from these primary resins.

The figures of stocks exclude materials purchased for further processing but include goods held for use or further processing in the establishments in which produced.

The figures from the 4th quarter 1972, in the second

table, are based on a new inquiry with a wider coverage. Products of condensation, polycondensation and polyaddition are broadly comparable with thermosetting resins and products of polymerisation and copolymerisation with thermoplastic resins. Differences are noted below.

Products of condensation, polycondensation and polyaddition

(Thermosetting resins)

These include alkyds, aminoplastics, phenolics, unsaturated polyesters, epoxide resins and other products including polyurethanes (non-foam forms). Polyamides (including material for fibre spinning and monomer cast forms) are now included but casein products are excluded. The previous coverage of polyurethanes included flexible foams as a 'plastics product'.

Products of polymerisation and copolymerisation

(Thermoplastic resins)

These include acrylics, polyolefines, polyvinyl chloride, polyvinyl acetate, polystyrene and ABS. Previously some polyamides, cellulosics (apart from regenerated cellulose film) and resin ester gums were included. The present coverage of cellulosics includes regenerated cellulose film.

Intermediate forms between resins and semi-finished products

These comprise moulding and extrusion compounds of alkyds, unsaturated polyesters, aminoplastics and phenolics and plasticised and unplasticised compounds of polyvinyl chloride. In the first table they are included with plastics materials.

Other miscellaneous products

Industrial ethyl alcohol

Figures show the quantities of ethyl alcohol produced for industrial purposes; industrial ethyl alcohol is distilled from molasses or derived from other processes. A small quantity of molasses spirit is used in beverage spirit production. This amounted to about 0·40 million proof gallons a month in the year ended 31 March 1976, and has already been deducted from the figures shown.

Soap

Figures relate to production of manufacturers employing 25 or more persons and represent production for all purposes, including export, of all types of soap except dentifrices. Lathering shaving soap and cream and soap shampoos are included.

Synthetic detergents

The figures relate to sales of detergents by the larger United Kingdom manufacturers for use primarily for washing purposes. Surface-active material for use as disinfectants, wetters, spreaders and emulsifiers is excluded. Detergent precursors, e.g. dodecyl benzene, and abrasive and scouring preparations containing synthetic detergents are also excluded. The figures are free of double counting of materials at different stages of manufacture.

IX. METALS, ENGINEERING AND VEHICLES

Iron and steel

Iron ore

The ferrous content of home ore is about 27 per cent compared with an average of about 62 per cent for imported ore.

Pig iron

Blast furnace iron and blast furnace ferro-alloys.

Consumption in steel works and steel foundries, wrought iron and refined iron works and iron foundries. Excludes consumption in iron foundries of refined and cylinder iron made otherwise than in blast furnaces.

Scrap

Consumption of scrap is the quantity of steel and cast iron scrap (including scrap arising in own works) consumed in steel melting furnaces and converters, blast furnaces, wrought iron and refined iron works, and iron foundries.

Crude steel production

Steel ingots (including liquid steel for continuously cast blooms, billets and slabs) and steel for castings. From January 1974 the figures are based on useable steel according to the Community definition. The difference is comparatively minor and reduces the figures by about 0.5 per cent.

Crude steel stocks

Ingots and the ingot equivalent of semi-finished and finished steel held at producers' works; excluding stocks held by consumers and stockholders.

Net deliveries of finished steel

Includes imported steel, but excludes all material for intra-industry conversion; exports are included.

Consumers' and stockholders' stocks of finished steel

Finished steel from all sources, i.e. produced in the United Kingdom or imported.

Iron castings

Weight of iron castings in the black state (up to and including fettling).

Net deliveries of finished steel from UK production

Heavy rails and accessories

Before 1973 heavy rails are 20 kg and over per metre for home trade and 18 kg and over per metre for the export trade. From 1973 heavy rails are 20 kg and over per metre, home and export.

Other heavy rolled products

Before 1973 angles, tees and sections over 102 united mm and channels over 76 mm web; joists and beams 76 mm web and over; rounds, squares and hexagons 76 mm and over, and flats over 127 mm wide. From 1973 the dimensions are 80 mm web and over for joists and beams; for I, U, H and Z sections 80 mm and over measured between the outer surfaces of the two parallel planes; for angles 80 mm

and over measured on the outer length of the leg or of the longest leg. In all other cases 80 mm and over measured on the greatest dimension of the cross-section.

Rounds, squares and hexagons 80 mm and over across the face. Flats over 150 mm wide and over 4.76 mm thick.

Wire rods

Rods and bars in coil, excluding bars and rods for reinforcement.

Other light rolled products

Rods and bars for reinforcement; arches, light rails and accessories; bright steel bars; other light rolled sections and hot rolled bars, of dimensions less than those given for heavy rolled products; flats up to and including 150 mm wide (127 mm before 1973).

Hot and cold rolled strip

The product of mills capable of rolling strip up to a maximum of 610 mm (24 in) in width; (from 1973, 600 mm for hot rolled strip and 500 mm for cold rolled strip).

Sheets coated and uncoated

Includes coiled and cut material.

Tinplate and blackplate

Includes tin-free steel and blackplate (uncoated tinplate milled for sale as such).

All other products

Tyres, wheels, axles and rolled rings; forgings (other than drop forgings), and castings.

Non-ferrous metals

Stocks of non-ferrous metals relate to consumers' stocks, including stocks held by consumers in London Metal Exchange warehouses and other privately held stocks, but exclude all government held stocks. Stocks in transit in the United Kingdom are included throughout.

Copper

Production of virgin refined copper includes only primary copper refined from imported blister. Secondary refined copper includes copper refined from scrap and small quantities of copper smelted and refined from ores but excludes remelted copper. Consumption of refined copper (virgin and secondary) is as reported by consumers.

Consumption of copper in scrap is obtained by the difference between copper content of output and consumption of refined copper. Monthly figures of scrap consumption are particularly affected by variations in the amount of work in progress and should be used with caution.

Production of wrought semi-manufactures includes wire, rods, bars, sections, sheet, strip, plate and tubes of copper and copper alloys (gross weight of alloys in the *Monthly Digest*).

Production of castings includes both copper and copper alloys (gross weight of alloys).

Stocks of refined copper include copper in wire bars.

Zinc

Slab or virgin zinc in unwrought zinc, excluding remelted zinc.

Other zinc (metal content) includes not only scrap (zinc content of brass and other alloy scrap, re-melted and scrap zinc metal and zinc content of residues), but also partially refined metal not classified as slab zinc and concentrates used directly in manufacturing processes such as galvanizing (but not used in zinc production). These concentrates are also included in the figures of consumption of concentrates for smelting and direct use.

Lead

For English refined lead the series relate to soft lead refined from secondary and scrap material, and from domestic ores, including that refined by consumers for their own use.

Home consumption of imported virgin lead includes pig lead refined from imported bullion and lead imported for processing on toll. Stocks of imported virgin lead include base bullion awaiting refining.

The consumption of scrap lead includes re-melted lead and secondary antimonial (hard) lead recovered from scrap, whether for sale or own use, when used by the ultimate consumer.

Virgin aluminium

Including virgin alloys.

Consumption represents despatches to home consumers.

Secondary aluminium

Statistics include virgin content used in production of secondary alloys.

Consumption represents despatches to home consumers and exports, and includes virgin content.

Engineering and allied products

This table presents statistics collected by the Business Statistics Office Quarterly Inquiry system and relates to those products classified to Orders VII-XII of the Standard Industrial Classification 1968.

The statistics given in the table are identical to those already published in *Business Monitors* and, as such, relate to total sales of those products by firms classified to Orders VII-XII of the Standard Industrial Classification 1968 but also include sales of these products by firms classified to other industries.

The statistics are collected from those firms who employ 25 or more employees except for MLH 336 (Construction and earth-moving equipment), MLH 339-1 (Mining machinery) and MLH 363 (Telegraph and telephone apparatus) where the cut-off is 50, and for MLH 396 (Jewellery) where the cut-off is 11.

X. TEXTILES AND OTHER MANUFACTURES

Index numbers of orders and deliveries in the textile and clothing industries

Figures are obtained for the made-up clothing industry and from the main textile industries in respect of deliveries and

Mechanical, instrument and electrical engineering seasonally adjusted volume index numbers

These tables provide seasonally adjusted volume index numbers of total, home and export sales, orders on hand and net new orders of the industries classified to Orders VII, VIII and IX of the Standard Industrial Classification 1968, excluding the ordnance and small arms industry. The basic data for the index numbers of home sales is obtained by subtracting exports from totals and, in a similar manner, data for net new orders is derived from current sales and the change in orders on hand. Seasonally adjusted total indices are obtained by combining the seasonally adjusted home and export series.

The index numbers for the combined engineering industries are initially published, together with a commentary, in *Trade and Industry*. Business Monitor PM33-36 contains the complete set of tables, together with full notes and an expanded commentary.

The indices are based upon the results of a monthly enquiry which began with information for January 1972. Establishments with 100 or more employees (200 in Order IX) are included and estimates are made for non-respondents. The estimation procedure is described in more detail in two articles; one in *Economic Trends* for April 1972, and the other in *Statistical News* for November 1972. The first of these two references also describes the way in which it has been possible to use the results of an earlier monthly inquiry to produce comparable series back to 1969.

Motor vehicles

The production figures for individual months are totals for periods of four or five weeks.

Passenger cars

Taxis, estate cars and station wagons are included but three-wheeled vehicles are excluded. Chassis delivered as such by motor manufacturers are included.

Commercial motor vehicles other than omnibuses, coaches and trolleybuses

The following types of vehicles are included: lorries and vans, ambulances, wheeled tractors for road haulage and special-type vehicles other than armoured fighting vehicles for the Services. Chassis delivered as such by motor manufacturers are included. Battery-driven electric road vehicles and three-wheeled vans are excluded.

Omnibuses, coaches and trolleybuses

The figures include complete single-deck omnibuses and coaches designed with eight to fifteen seats, excluding the driver's. Chassis fitted with bodies of this type by other manufacturers are excluded. The figures for other omnibuses, coaches and trolleybuses refer to the production of chassis with or without bodies mounted.

either orders on hand or net new orders. For a number of industries the estimates included are based on sample inquiries. Deliveries, net new orders and orders on hand for each industry are converted, where necessary, to constant

prices and formed into indices. For the textile industries the indices for deliveries and net new orders are combined by weights estimated from the results of the Census of Production, 1970; the orders on hand index for textiles is derived from these two indices.

Made-up clothing

The index numbers for individual sectors are based on monthly returns made voluntarily by a sample of firms and revised subsequently in the light of fuller information from quarterly sales inquiries covering all firms with 25 or more employees. The indices relate to deliveries at constant prices of principal products classified to each industrial sector. In calculating the index for made-up clothing as a whole the index numbers for individual sectors are combined using gross output weights for 1970.

Textiles

Raw wool

The production figures show the weight of British fleece wool taken up by the British Wool Marketing Board and the weight of wool produced by fell-mongering from British sheepskins.

Home consumption is the estimated clean weight consumed in combing, woollen spinning and felt making.

Stocks figures show the estimated clean weight of all raw wool in the United Kingdom, excluding farmers' stocks not yet taken on charge by the British Wool Marketing Board. These estimates are subject to revision each year following the results of the annual census of wool stocks taken at the end of August.

Woollen yarn

Production figures are estimated from the weight of all fibres including man-made fibres, consumed by spinners of yarn on the woollen system. All types of yarn are covered, including hand-knitted and carpet and rug yarns.

Woven wool fabrics

The figures represent the total deliveries of all fabrics woven in the wool textile industry. Woven woollen fabrics are fabrics which are mainly woollen by weight of components; similarly, woven worsted fabrics are fabrics which are mainly worsted by weight of components.

Wool blankets (including mixtures and man-made fibres)

The following factors apply: 1 full size blanket = 4.52 square metres, 1 cot blanket = 1.17 square metres.

Raw cotton

Home consumption figures show the quantities used for cotton spinning, together with an estimate of consumption by other users.

Stocks figures represent the estimated weight of raw cotton held in Liverpool and Manchester certified warehouses and in Manchester docks, and by spinners in mills and up-country warehouses.

Single yarn spun in the cotton industry

Production is the total conditioned weight of single yarn spun whether for sale or for further manufacture by the same firm. Yarn spun on commission is included.

Cotton yarn excludes waste yarns and mixture yarns.

Cotton waste yarns are yarns spun from cotton waste and from raw cotton on the condenser and other waste spinning systems.

Spun man-made fibre and mixture yarns are spun yarns of rayon, nylon and other man-made fibres, mixture yarns of cotton and man-made fibres and of cotton and wool, and waste yarns other than those wholly of cotton waste and raw cotton.

Woven cloth of cotton and man-made fibres

The figures include cloth made for sale, cloth which is made up into household textiles, etc., by the same firm, and cloth woven on commission. Cloth for industrial uses such as tyre fabric is included as well as cloth for clothing and for household textiles. The figures represent the length in metres of cloth in the loom state before undergoing finishing processes: but cloth intended for splitting is included in length as split (for example, one metre of cloth intended to be split into two pieces is shown as two metres).

Man-made fibre and mixture cloth is cloth made wholly from continuous filament and spun rayon, nylon and other man-made fibres and mixture cloth containing not less than 85 per cent by weight of man-made continuous filament yarn and yarns spun in the cotton industry, as defined above, or similar yarns spun abroad.

Man-made fibres

Figures relate to output of man-made fibres in commercial production in the United Kingdom.

Hard hems

Consumption and stocks relate to the amount of sisal line and manila hemp used and held by spinners and paper-makers.

Jute cloth

Production is estimated from consumption of yarn by jute cloth weavers.

Imported jute goods

The figures relate to total imports of woven fabrics of jute and new sacks and bags of jute as published in *Overseas Trade Statistics*.

Hosiery

The figures relate to sales by establishments employing 25 or more persons. These figures include garments made-up from knitted fabrics of all types by establishments engaged in knitting, except those engaged mainly in warp knitting. The figures exclude garments made-up from knitted fabrics by establishments not engaged in knitting.

Timber

Softwood and hardwood

Pitwood is excluded. Hardwood figures include logs for veneer production.

Deliveries of imported softwood and hardwood are based on imports as recorded in *Overseas Trade Statistics* adjusted for stock changes notified by importers.

Wood chipboard

The figures for wood chipboard (particle board) include all those firms known to be making this product, using in its manufacture wood residues, forest thinnings and synthetic resins.

Plywood

Includes all plywood, blockboard, laminboard and batten-board.

Deliveries are calculated from imports, as recorded in *Overseas Trade Statistics*, adjusted for stock changes notified by importers.

Pitwood

All mining timber specially prepared for use underground in coal mines for propping or shoring or as pit sleepers. It is shown in solid cubic metres (3.57 solid cubic metres equivalent to a Gothenburg standard of round wood and 3.12 solid cubic metres equivalent to a Gothenburg standard of sawnwood).

Round pitwood comprises pitprops, props split, round bars and long pitwood.

Production figures are based on National Coal Board consumption of home-grown timber.

Domestic furniture

Estimated sales of mainly wooden and upholstered domestic furniture by establishments in Great Britain employing 25 or more operatives in the manufacture of domestic furniture.

Paper and board, and paper-making materials

In these definitions 'mills' means paper mills or board mills.

Newspaper

Consumption is an estimate and is based on a sample enquiry.

Stock figures show the quantity of newspaper held at mills and by publishers of newspapers and periodicals, and are estimates based on a sample enquiry. From September 1973 importers' stocks are also included.

Other paper and board (including building board)

Home deliveries are derived by adding imports of other paper and board to home production invoiced out by mills, and deducting exports.

The figures for stocks relate to quantities held by paper-makers only.

Paper-making materials other than woodpulp

Consumption figures relate to consumption by mills. Stock figures show the quantities held at mills.

Paper equivalent

The paper equivalent figures show the approximate amount of paper which it is estimated can be produced from the paper-making materials other than woodpulp shown as consumed or in stock. They are: straw 43 per cent, rags, etc. 66½ per cent, waste paper 85 per cent, esparto 42 per cent,

pulpwood other than round 37½ per cent. The paper equivalent of one metric ton of round pulpwood is estimated at 0.63 metric tons.

Pulpwood

Other pulpwood includes home-grown pulpwood, wood waste, chippings and rejected pitprops.

Woodpulp for paper-making

This comprises imported woodpulp of the following types: chemical sulphite (bleached, semi-bleached and bleachable, and strong); chemical sulphate and soda (bleached, semi-bleached and bleachable, and kraft); semi-chemical; mechanical (bleached, unbleached and other) and knotter and screenings in terms of air dry weight used or held by paper-makers and manufacturers of cellulose wadding. Pulp derived from imported and home produced pulpwood, rejected pitprops and wood waste is excluded.

Rubber

Natural rubber includes balata and gutta percha. (Figures for latices are given as dry rubber content.) The oil content of Masterbatch is included, but the carbon content is excluded.

Figures of rubber consumption are collected from manufacturers of rubber goods and from larger manufacturers of other rubber-using industries, e.g. cables.

Stocks of rubber exclude those held by manufacturers outside the rubber industry. Stocks of natural rubber are those held by importers and larger consumers. Stocks of synthetic rubber and reclaimed rubber are those held by United Kingdom producers and larger consumers. In this paragraph, larger consumer means firms mainly engaged in manufacturing rubber goods, which employ 25 or more persons.

Carbon black

Production includes lamp and vegetable black but excludes acetylene and bone black.

Brushes

Up to the 4th quarter 1975 figures relate to firms employing 11 or more persons, and thereafter to those employing 25 or more persons. Other brushes include painting rollers, artists' brushes, cosmetic and bottle brushes, brushes for machines and other industrial brushes.

Floorcoverings

The figures relate to sales by all firms known to be making these products.

Carpets and rugs

The term Carpets includes carpeting and carpet type rugs. The figures for All types include those for items not shown separately, namely: non-woven carpets, carpeting and carpet type rugs including needleloom, and rugs other than carpet type rugs.

Floorcoverings of linoleum and plastics materials

Linoleum in sheet and tile form relates to linoleum on a base of paper or paper board and printed and inlaid linoleum on a textile base.

XI. CONSTRUCTION

Value and volume of constructional work and new orders obtained

Figures for the construction industry are based on Order XX of the 1968 Standard Industrial Classification.

The value of output represents the value of construction work done during the quarter in Great Britain and derives from returns made by private contractors and public authorities with their own direct labour forces. The output of building operatives employed by private firms outside the construction industry to carry out work on their own establishments is included if the firms have a separate building department. The series (and the accompanying index of the volume of output) include estimates of the output of small firms and self-employed workers not recorded in the regular quarterly output enquiry.

The new orders statistics are collected from private contractors and analysed by the principal types of construction work involved. The series includes speculative work for eventual sale or lease undertaken on the own initiative of the respondent where no formal contract or order is involved.

Building materials and components

The figures relate to the actual production and stocks as given in the returns submitted by producers.

The stocks figures relate to stocks at works, including sold and unsold. Production figures will relate to calendar months or periods of four or five weeks.

From 1975 figures for building bricks, concrete building blocks and roofing tiles, metal windows and ready mixed concrete include statistics relating to additional sites.

The effects of this change are estimated to be:

building bricks production and stocks increased by 1 per cent

concrete building blocks production increased by an average of 11 per cent

concrete roofing tiles production and stocks increased by an average of less than 1 per cent

metal windows production increased by 14 per cent, stocks increased by 10 per cent.

And from 1976

ready mixed concrete production increased by 3 per cent.

Building bricks

The figures include common, facing and engineering bricks made from shale, sand lime, clay or concrete, but exclude glazed bricks and all types of refractory bricks.

Cement

Production figures show the actual quantity of Portland cement and Portland blast furnace cement ground.

Sand and gravel

The figures embrace land-won and marine dredged production of (a) building sand, including sand used in the manufacture of sand lime bricks and for asphalting, (b) concreting sand, (c) gravel (including hoggin used for all purposes).

The 1975 quarterly figures for sand and gravel pro-

duction are estimated to have increased by about 3 per cent due to the inclusion of additional sites. The annual figures for 1975 and subsequent years are derived from the Annual Inquiry into Mineral Extraction. This has a wider coverage of producers than the quarterly inquiries and the estimated effect of this has been to increase the level of production by a further 8 per cent, making 11 per cent in all.

From 1976, quarterly statistics for sand and gravel will be collected on a sample basis.

Plaster

The figures exclude plaster used in the production of plasterboard.

Gypsum

The figures refer to quantities mined but exclude anhydrite.

Asbestos cement sheets—corrugated

The figures include roof decking.

Cast iron baths and other sanitary goods

Includes baths, sanitary cisterns and other sanitary goods.

Metal windows and casement doors

The figures include windows in standard metal window section, windows and doors in universal section, standard and purpose-made windows in sash sections and curtain walling.

Plasterboard

Includes all plasterboard for ceilings, partitions and insulation.

Concrete building blocks

Information refers to dense aggregate, lightweight aggregate and aerated concrete building blocks.

Concrete roofing tiles

Figures relate to the area of roof coverage.

Slates

The figures cover slate mined or quarried for all purposes including roofing and damp proof courses, architectural and cladding uses, as fill and for powder and granules.

Pitch fibre pipes and conduits

Includes production and stock figures for pipes of all diameters and for conduits.

Housing

The tables on housing relate to permanent houses and flats built for local authorities, private owners, housing associations and government departments. Temporary houses and mobile homes are excluded.

The figures for local authorities include houses provided by the Commission for the New Towns and new town development corporations and, in Scotland, by the Scottish Special Housing Association and in Northern Ireland, by the Northern Ireland Housing Executive (formerly by the Northern Ireland Housing Trust); these figures exclude those for houses provided by local authorities other than under Housing Act powers (e.g. for parks, welfare, water undertakings), and these are included under the heading Other authorities. Also included under the latter heading are houses provided or authorised by government departments for the families of police, prison staff, the armed forces and certain other services and those provided by housing associations with the exception of the Scottish Special Housing Association.

Educational building

Major building proposals and certain minor works in England and Wales require the approval of the Department of Education and Science. Approval is normally given about three months before the work is started. In the series for value of projects started, deductions are made where approved expenditure is not fully taken up.

In England and Wales the value figures refer to the cost approved on tender, or the final cost, whichever is the figure available. When a revised value figure for a project becomes known, the change is incorporated in the cumu-

lative total by adjusting the figures for the latest period, the figures for earlier periods (for example, the period in which the project was originally approved) remaining unaltered. Building projects in Scotland require the approval of the Scottish Education Department. The Scottish figures of contracts under construction and completed are based on tender costs, except in the case of those relating to contracts completed from January 1954 to December 1959, both inclusive, where they have been adjusted in respect of any differences between tender and final costs as the latter became known.

The figures for England and Wales include the value of projects for which specific approval is not required.

Both tables exclude building work at independent schools, direct grant schools, universities, and certain other educational institutions such as theological colleges.

The method of calculation of the number of places provided differs in England and Wales, and Scotland. In England and Wales the figures refer to the number of pupils for which school accommodation is designed. In present circumstances, however, the number of children actually admitted to the new accommodation may exceed the number for which it is designed. In Scotland the figures refer to the sum of the approved capacities of the teaching rooms whether classrooms or practical rooms, and will normally exceed the number of pupils for which the accommodation is designed.

XII. TRANSPORT

Road vehicles in Great Britain

The figures for months up to September 1974 are compiled from information received by the Department of the Environment from all registration and licensing authorities (county, county borough and borough councils in Great Britain which administer the Vehicles (Excise) Act 1971, (and previous similar Acts)). The figures from October 1974 onwards are obtained from Driver and Vehicle Licensing Directorate at Swansea which took over responsibility for new registrations from that date. The statistics are thus a by-product of administration and the classes shown correspond in the main to taxation classes. The figures include all vehicles which pay tax and certain vehicles which are exempt from the payment of tax. Most of the latter carry a form of licence known as a 'nil' licence. The figures exclude vehicles registered by the armed forces or as personal or direct export and trade licences issued to manufacturers and repairers of and dealers in, motor vehicles.

Exempt vehicles fall into two groups:

Vehicles which are designed and used for particular purposes
Some vehicles in this group (such as invalid vehicles, snow ploughs and certain road construction vehicles) are registered when they are first brought into use and, although they pay no tax, they carry a Nil licence. Other vehicles of this type (*viz.* fire appliances, ambulances and road rollers) do not carry a licence disc.

Vehicles which make little or no use of public roads
Vehicles which make little use of public roads (that is, travel not more than six miles per week while passing between different parts of the owner's land) are registered but carry no licence.

Vehicles which are never used on public roads (that is, on roads repairable at the public expense) are not required to bear a licence and are registered only if the roads they use (e.g. certain industrial estates) are accessible to the public. These vehicles do not appear in the statistics of current licences.

Vehicles owned by government authorities

Vehicles belonging to the armed forces operate under a special registration and licensing system. Such vehicles are not included in either table.

All other vehicles owned by government departments are registered but pay no tax. From 1951, these vehicles have operated under Certificates of Crown Ownership and are shown separately in statistics of current licences, but are combined with vehicles of their appropriate type in statistics of new registrations.

The following points should also be noted:

- (a) The column headed Cars includes some light vans and other vehicles which, because they do not fall into any other classification, are taxed as Private on the same basis as cars.
- (b) The column headed Buses, coaches and taxis, refers to vehicles that are taxed as Hackneys, and includes trams and private hire cars.
- (c) The columns for new registrations headed Tractors and engines, include haulage tractors, agricultural tractors and other agricultural machinery which are used for certain defined purposes connected with agriculture and forestry; trench diggers, excavators and mobile cranes which are used on roads only for proceeding to and from working sites; and mowing machines. In the current licences table haulage tractors are included with Goods vehicles.

Method of collecting statistics of licences current

In 1966 the annual statistics were derived by means of a complete census of vehicles registered by all registration and licensing authorities. In other years, the statistics are based on samples of one-tenth or one-twentieth of all vehicles registered by most authorities; a complete census was maintained by those authorities with fewer than 10,000 registered vehicles. In both the full and sample censuses, a vehicle is included in the statistics if it had a licence current at any time during the July to September quarter.

The end of month figures are estimates based on taxation returns.

Road traffic and inland goods transport in Great Britain

The index of vehicle kilometres shows traffic trends by class of vehicle on the roads in Great Britain. The monthly figures relate to calendar months and therefore include the effects of variations in the number of weekdays and weekends and of the incidence of public holidays. The basis is a regular series of traffic counts at a randomly selected sample of points on the road system. Automatic axle counters at 50 sites provide a continuous record of trends in total motor traffic and a system of manual counts each month taken from a sample of 220 sites, provides the basis for estimates of individual vehicle classes, including bicycles. Benchmark estimates were obtained from short-period counts at 1,300 sites in 1966. New benchmark estimates are now being produced.

The analysis by vehicle type is based upon roadside observation; thus vehicles are classified in accordance with their general appearance.

The index of tonne-kilometres of road goods transport is estimated from a continuing sample survey of goods vehicles, started in 1970. Quarterly index numbers for road transport are obtained by dividing each quarter's figure of tonne-kilometres performed by road by the quarterly average in 1970. The quarterly figures relate to 13-week periods and not to three calendar months, so no adjustment for differences in the length of calendar months is necessary. Annual index numbers are obtained in a similar way by dividing the estimated annual road tonne-kilometres by the corresponding figure in 1970.

Road casualties in Great Britain

These figures are compiled from information received by the Department of the Environment and the Scottish Development Department from police forces throughout Great Britain. Only those casualties from road accidents occurring on the public highway, (including footpaths) in which a vehicle was concerned, and which were reported to the police are included.

Casualties are classified according to the degree of injury sustained. The degrees of injury are defined as follows:

Killed: Died within 30 days of the accident.

Serious injury: An injury for which a person is detained in hospital as an inpatient, either immediately or later; or any of the following injuries whether or not he is detained in hospital: fracture, concussion, internal injury, crushing, severe cuts and lacerations, severe general shock requiring hospital treatment.

Slight injury: An injury of a minor character such as a sprain or bruise, or a cut or laceration not judged to be severe. Cases of shock are only included if they appear to need roadside attention.

Road passenger transport

The quarterly figures for buses and coaches other than those operated by London Transport are based on a return from operators of more than 24 vehicles who accounted for 94 per cent of passenger journeys and 86 per cent of passenger receipts in 1974. The figures given include estimates for the smaller firms not making quarterly returns, assuming a similar seasonal pattern.

Annual figures are based on a return requested from all operators.

Passenger receipts

British Rail

Passenger receipts are the receipts from passenger fares of all kinds. Charges for platform tickets, seat reservations, left luggage, etc., which are classed as miscellaneous receipts, are excluded.

London Transport

Traffic receipts are derived entirely from passenger traffic.

Passenger journeys

The figures of passenger journeys show the number of journeys originating on the British Rail and London Transport systems. Passenger journeys commencing on one system and terminating on the other are included in the figures for both British Rail and London Transport.

Children's tickets are counted as whole journeys. Return tickets are counted as two journeys. The numbers of journeys made by season ticket holders on British Rail are estimated using a rate of 540 journeys per annum, except for journeys made on annual season tickets from January 1975 onwards which are estimated using a rate of 480 journeys per annum. The numbers of journeys made with all types of season ticket on London Transport are estimated using a rate of 600 journeys per annum. Government department traffic (for example, naval and military) and other reduced fare traffic are included.

Freight traffic

British Rail

The figures of traffic originating show the tonnes of revenue-earning traffic conveyed by British Rail at freight train rates. Cross-channel traffic invoiced to interior stations is treated as originating at the port of entry. Materials for British Rail conveyed without public charge, whether on revenue-earning or departmental (including ballast) trains, are excluded.

Monthly figures for net tonne-kilometres are derived by interpolating quarterly figures.

Coal and coke include patent fuels, slack, smudge, cannel and coal cinders for fuel.

Iron and steel comprises crude and semi-finished steel; finished steel; iron ore; pig iron; scrap iron and steel; limestone, dolomite and lime for iron and steel works; iron castings.

Inland waterways

The figures of traffic originating show the total freight tonnage conveyed over the inland waterways controlled by British Waterways board.

Net tonne-kilometres are calculated by multiplying the tonnes of traffic by the distance conveyed over the Board's waterways.

Civil aviation

The statistics cover the scheduled services of British Airways and UK private companies.

Scheduled services are those shown in published timetables, including supplementary flights.

Scheduled services operated temporarily under charter by another airline on behalf of a UK airline are included.

The figures refer only to revenue kilometres and traffic (kilometres and traffic for which renumeration is received or sought) on scheduled services and therefore do not include such items as training, positioning and test flights and non-paying passengers and cargo.

In compiling kilometres statistics, distances have been calculated on the Great Circle distance in kilometres between two traffic stops. If a technical stop intervenes the distance is the sum of the two stages caused by the technical stop.

Domestic services

Services flown entirely within the United Kingdom, including the Isle of Man and the Channel Islands.

International services

Services flown wholly outside the United Kingdom, or wholly or partly between the United Kingdom and places outside.

Passengers

The number of passengers carried is based on the number of seats occupied by fare-paying passengers. Children at half-fare are included but not children at 10 per cent fare (children under two years of age, not occupying a separate seat). Passengers travelling over more than one stage with through tickets are counted once only but passengers with return tickets are counted in both directions.

Cargo

Cargo means any property carried on an aircraft including excess luggage, mail, diplomatic bags and weight of vehicles carried on vehicle ferry services.

Merchant vessels of 500 gross tons and over registered in the United Kingdom

Passenger vessels

Any vessel permitted to carry more than 12 passengers.

Cargo liners

Vessels which carry dry cargo over a definite route on fixed schedules, other than container ships, but including roll-on/roll-off vessels.

Container ships

Fully cellular container ships.

Tramps

Dry cargo vessels not used for providing a regular service, including bulk carriers of under 6,000 g.r.t. and general purpose vessels (usually multi-deck).

Bulk carriers

Dry cargo, ore/oil and ore/bulk/oil carriers of 6,000 g.r.t. and over.

Tankers

Oil, gas, chemical and other specialised tankers.

Miscellaneous craft

Government owned vessels, offshore supply vessels, non-cargo and/or passenger carrying sea-going vessels, sailing vessels, tugs, fishing vessels, dredgers, river and other non-sea-going vessels.

Gross tonnage

Gross tonnage is the total volume of all the enclosed spaces of a vessel. The unit of measurement is a ton of 100 cubic feet.

Deadweight tonnage

Deadweight tonnage is the total weight in tons of 2,240 lb. that a ship can legally carry, that is the total weight of cargo, bunkers, stores and crew.

XIII. RETAILING AND CATERING

Retail sales and stocks

Sales

The statistics relate to the total sales of different kinds of shop, that is, they are on a 'kind of business' basis. They are based on the provisional results of the Census of Distribution for 1971, and expressed with 1971 = 100. This rebased series was introduced in an article in *Trade and Industry* on 8 November 1973. An article which appeared in *Trade and Industry* on 5 October 1972 outlined the method of computation of the retail sales statistics. Descriptions of the volume series were given in the issue of the *Board of Trade Journal* of 10 November 1961 and in *Economic Trends* of May 1962. Apart from some changes, described in the October 1972 article referred to above, the method of

seasonal adjustment is essentially the same as that described in the *Board of Trade Journal* of 6 July 1962.

The statistics cover the whole field of retail trade in Great Britain. All forms of organisation—Independent retailers, multiple retailers (chains with ten or more branches), co-operative societies, department stores and mail order houses—are represented. Independent retailers report sales on a shop basis in general. Multiple retailers report the sales of the aggregation of their branches. Co-operative societies report sales on a department basis, the departments being classified to the nearest appropriate kind of business. Department stores report sales on a shop basis and are classified as whole units to a single kind of business. Multiple retailers and co-operative societies report sales of all shops open in the reporting period so that in respect of

these two types of retailer the statistics make some allowance for changes in the number of shops, but it is not generally possible to make similar allowance for 'births' or 'deaths' among the independent retailers and department stores.

The statistics are based on voluntary returns from a substantial sample of contributors spread over the different kinds of business and the different forms of organisation and chosen to be representative, as far as possible, of the different sizes of retailers and the different parts of the country. The panel of independent retailers comprises about 5,000 contributors, while the large-scale retailers who contribute account for nearly 80 per cent of the total sales of these retailers. Many of the large-scale retailers were recruited by the co-operating retail trade associations—the Co-operative Union, the Drapers' Chamber of Trade, the Multiple Shops Federation and the Retail Distributors' Association. The results are compiled so as to give due weight, as far as possible, to different sizes of contributor, different regions (co-operative societies and department stores only), forms of organisation and kinds of business. In this, and in the initial selection of the panel of contributors, the results of the Censuses of Distribution are used.

The statistics relate to the total sales of shops, inclusive of VAT (before the introduction of VAT on 1 April 1973, sales were inclusive of purchase tax), and inclusive of receipts from the sale of meals, from services to customers (for example, repairs) and rentals received for goods (for example, radio and television sets). Hire purchase and other instalment credit sales are valued at the credit price of the goods (that is including deposits and, where the credit is provided by the shop, credit charges). Figures of credit sales relate only to the period during which the transactions took place, i.e. cash received from credit sales in previous periods is not included. Sales by chemists exclude receipts under the National health service. The statistics, being on a kind of business, not a commodity basis, do not cover sales of goods by establishments not classified to the kinds of business covered in the statistics, for example, they do not cover the sale of cigarettes and tobacco in public houses or the sale of goods in restaurants and cafés.

The basic estimates of the value of sales each month are constructed by comparison with the corresponding month

of the preceding year, 'chaining' back to the base year. Descriptions of the methods used to obtain the seasonally adjusted value and volume estimates are given in articles referred to above.

The latest summary statistics are published each month in *Trade and Industry*; detailed unadjusted statistics appear each month in the Business Monitor series.

Stocks

The index numbers of retail stocks are derived in broadly the same way as the retail sales indices (see above). They relate to the same coverage of retail trade as the sales statistics and are constructed on the same 'kind of business' basis. The reporting sample is confined largely to multiple retailers, co-operative societies, department stores, general mail order houses and large independent clothing and furniture shops, and accounts for about a half of the stocks held by these retailers and about a quarter of total retail stocks. The statistics, which are based on the results of the Census of Distribution for 1966, take into account results of the Census of Distribution for 1971 and of the annual inquiries into retail distribution for 1972, 1973 and 1974. An article describing the method of computation of the statistics appeared in *Trade and Industry* for 20 September 1973. From 1 April 1973, stocks are valued exclusive of VAT. Before this date the figures had been valued inclusive of purchase tax.

Catering turnover

Estimates of changes in the turnover of the catering trades, based on returns sent in each month (each quarter from the beginning of 1977) by a selection of organisations and establishments in these trades, are calculated in much the same way as the estimates of retail trade described above. The results are compiled so as to give due weight, as far as possible, to different sizes of contributors, forms of organisation and kinds of business, using for this purpose the results of an inquiry into the catering trades in respect of 1969. The results are rebased on 1969 = 100. Since 1 April 1973 the estimates of turnover have been inclusive of VAT. Summary statistics are published in *Trade and Industry*; detailed statistics are published in the Business Monitor series.

XIV. EXTERNAL TRADE

Visible trade on an Overseas Trade Statistics basis

The statistics of overseas trade are compiled from the declarations made to HM Customs and Excise by importers and exporters or their agents. They comprise all merchandise imported into or exported from the United Kingdom, with the exception of the items mentioned below, whether or not the imports are intended at the time of importation for use in the United Kingdom or for re-export, and whether or not the exports are from Customs bonded warehouses. The statistics of imports, therefore, include British goods re-imported and goods imported for process or for incorporation with other goods and subsequent re-exportation. This system is known as the 'general' system of recording trade statistics. Re-exports are not separately distinguished and are included throughout with exports of UK produce.

For purposes of trade statistics 'United Kingdom' is defined as Great Britain, Northern Ireland, the Isle of Man, the Channel Islands and the Continental Shelf (United Kingdom part). The figures include the trade of the Channel Islands and the Continental Shelf (United Kingdom part) with overseas countries other than the United Kingdom.

The grouping of commodities in the *Monthly Digest* is based on the Standard International Trade Classification (Revised) of the United Nations.

Changes in the coverage of the *Overseas Trade Statistics* are made from time to time, but as far as possible all earlier figures in the *Digest* are adjusted to conform to the coverage and definitions in operation in the latest period shown.

In some cases it is not possible to adjust figures for all periods to a comparable basis, and the following discontinuities should be noted. Since 1970 low value imports

and exports, other than by parcel post, have been aggregated under SITC (R) Subgroup 931.02 as Other transactions not classified according to kind. This trade, accounting for a very small proportion of total trade, is not analysed either by commodity or country so that figures for 1970 and after for individual commodity and country headings are deficient to the extent of these amounts. Consignments currently treated in this way are those of a value less than £150; between December 1976 and September 1973 the threshold value was £100 while prior to September 1973 it was £50. Similarly, since January 1971 certain imports and exports used solely for servicing Continental Shelf installations have not been classified by commodity but instead aggregated under SITC(R) Subgroup 931.01. However, with effect from January 1976 trade in platforms used in off-shore oil and gas operations, previously included under 931.01, have been published separately under a new code number 718.43 floating or submersible drilling or production platforms for Continental Shelf oil and gas operations.

Coverage of the statistics

The following classes of goods are excluded from *Overseas Trade Statistics*:

- (a) sea-going vessels and aircraft (except ships for breaking up, and newly built vessels or aircraft arriving on purchase from abroad or departing on sale abroad);
- (b) means of payment which are legal tender, after issue into circulation; securities;
- (c) emergency aid for disaster areas; used clothing and household goods exported by charitable organisations;
- (d) goods benefitting from diplomatic and consular or similar immunity; gifts to a foreign head of state or to members of a foreign Government or parliament; British Government owned stores exported for British Government use overseas or returned from such use;
- (e) stores and equipment imported or exported by Commonwealth and foreign government forces in the United Kingdom solely for their own use (including American Post Exchange Stores), and such stores and equipment re-exported;
- (f) stores and equipment exported for use by United Kingdom forces or returned from such use. (Stores shipped abroad for NAAFI, the YMCA and similar organisations are, however, included);
- (g) fish and other natural produce of the sea on first landing in the United Kingdom, after being taken by vessels of British registration;
- (h) stores and fuel on board ships, aircraft and vehicles and intended for consumption en route;
- (i) personal and household effects; legacies;
- (j) certain atomic energy materials imported or exported by United Kingdom Atomic Energy Authority or its agents, including uranium ore and concentrates;
- (k) temporary importations or exportations, as follows:
 - (i) goods, including works of art, intended for fairs and exhibitions,

- (ii) merry-go-rounds and other fairground attractions,
- (iii) professional effects (e.g. survey, film and radio equipment, tools of trade, theatrical effects, musical instruments and the like),
- (iv) goods for technical examination and standards testing,
- (v) commercial samples and advertising films,
- (vi) touring, passenger or load-carrying road or railway vehicles,
- (vii) containers, pallets and the like,
- (viii) packaging; and

- (1) the following goods provided they are not the subject of a commercial transaction:
 - (i) printed advertising material, instructions for use, price lists,
 - (ii) ballast, dunnage, oil sludge and tank cleanings, waste for dumping at sea, and other goods which have become unusable or which cannot be used for industrial purposes.

Parcel post

Imports and exports by parcel post are, generally speaking, included in Section 9 under the heading Postal packages not classified according to kind (SITC(R) Item 911.0). Consequently the figures for the descriptions of particular goods in the tables are deficient to the extent of the volume of this parcel post trade.

The figures of imports and exports by parcel post referred to relate to goods sent through the GPO as Parcel Post; they do not include packets sent by Letter Post or by Printed Paper Post.

Period covered by the monthly *Overseas Trade Statistics*

In general, the figures show the trade as declared by importers and exporters on the completed documents received in the Statistical Office of HM Customs and Excise at Southend during a month. With certain exceptions, traders are allowed a short period of grace before documents have to be presented at the ports.

Registered exporters are allowed fourteen days after the shipment of the goods within which to deliver their documents. Moreover the processing of export documents begins shortly before the end of the calendar month. Thus the export statistics compiled for a month do not correspond with goods shipped in the calendar month.

Importers are usually required to present their documents before they can obtain Customs clearance and remove the goods. Further, the import figures include those recorded in documents lodged at the ports in the month, which reach Southend up to the third working day after the end of the month. The import figures therefore correspond fairly closely to goods actually imported during the calendar month.

Quantities and values

Both quantities and values are based on the declarations of importers and exporters or their agents and may be verified by Customs officials. For all imported goods, the value for

Customs purposes is to be taken as the statistical value. Information about the value for Customs purposes is given in paragraph 11 of Part 3A of the Tariff and Overseas Trade Classification. Briefly stated, this value is the price which the goods would fetch, at the time the Customs accept the entry for home use, on a sale in the open market between a buyer and a seller independent of each other, giving delivery to the buyer at the port or place of importation into the United Kingdom, the seller bearing freight, insurance, commission and all other costs, charges and expenses incidental to the sale and delivery, except duties or taxes chargeable in the United Kingdom.

Normally, for goods imported under a contract of sale negotiated in fully open market conditions, the value is represented by the price made under that contract, adjusted as necessary to take account of costs, charges and expenses as above. Where an amount in foreign currency has had to be converted to its sterling equivalent, the rate of exchange used has been that appropriate at the time of lodgment of the Customs entry.

The values of exports are required to be on an f.o.b. (free on board) basis *viz.* the cost of the goods to the purchaser abroad, including packing, inland and coastal transport in the United Kingdom, dock dues, loading charges, and all other costs, profits, charges and expenses (for example, insurance and commission) accruing up to the point where the goods are deposited on board the exporting vessel or aircraft or at the land boundary of Northern Ireland.

Transit trade

Goods in transit through the United Kingdom are not included in the statistics. Goods entered for transhipment may be either dutiable or free of duty, and either for removal from a vessel in one port and conveyance to another port for re-shipment abroad, or for removal under the same conditions from one vessel to another in the same port.

Goods transhipped under bond are to be distinguished from goods which are entered for storage in bonded warehouses and are afterwards exported therefrom, these latter goods being included in the general statistics of imports and exports.

Seasonally adjusted figures of UK trade

An explanation of the methods used to compute the seasonally adjusted figures was given in *Trade and Industry* 17 February 1971.

Trade by countries and areas

Particulars of imports are given according to the country from which the goods are consigned; this is the country from which the goods were originally despatched to the United Kingdom with or without breaking bulk in the course of transport, but without any commercial transaction in any intermediate country. The country from which goods are consigned is not necessarily the country of shipment, origin or manufacture.

Particulars of exports are given according to the country of destination; this is the country which at the time of exportation is the final country to which the goods are being despatched from the United Kingdom. Exports of newly built sea-going ships are normally classified as despatched to the country of registration.

Goods consigned direct to the United Kingdom from fishing vessels other than those of UK registration are classified as consigned from the country in which the vessel is registered.

The designations of countries and territories against which figures of overseas trade are presented are selected for statistical purposes and do not necessarily correspond to customs areas, administrative areas or political units. The areas used are defined as follows:

EEC comprises France, Belgium and Luxembourg, Netherlands, Federal Republic of Germany, Italy, Irish Republic and Denmark.

Rest of Western Europe comprises Continental Shelf (Foreign), Iceland, Faroe Islands, Norway, Sweden, Finland, Switzerland, Austria, Portugal, Spain, Andorra, Gibraltar, Vatican City, Malta, Yugoslavia, Greece and Turkey.

North America comprises Greenland, Canada, United States of America, Puerto Rico and St. Pierre and Miquelon.

Other developed countries comprise Australia, New Zealand, South Africa and Japan.

Oil exporting countries comprise Algeria, Libya, Nigeria, Gabon, Saudi Arabia, Kuwait, Bahrain, Qatar, Abu Dhabi, Sharjah, etc., Oman, Iraq, Iran, Brunei, Indonesia, Dubai, Trinidad and Tobago, Venezuela and Ecuador.

Centrally planned economies comprise Soviet Union, German Democratic Republic, Poland, Czechoslovakia, Hungary, Romania, Bulgaria, Albania, Vietnam, Mongolia, China and North Korea.

Import and export volume index numbers

The volume index numbers are designed to show movements in our imports and exports after eliminating variations due to price changes. They are prepared by estimating what the value of the goods imported (or exported) in the current period would have been if their prices had been those of the base period (1970). This estimate is then divided by the value of goods actually imported or exported in the base year; the indices thus give a measure of changes in the value of imports and exports at constant prices. A full explanation of the methods used to compute this series is given in *Economic Trends* April 1975.

Import and export unit value index numbers

These index numbers are intended as guides to changes in the prices of imports and exports. They are not called price indices however, because they are calculated using unit values for each of a selection of commodities in the *Overseas Trade Statistics* instead of true price quotations. The unit values are obtained by dividing the value of trade recorded in the month for each heading by a corresponding quantity (numbers, tonnes, etc.). As far as possible only those headings which cover a sufficiently homogeneous group of commodities for their unit values to move in much the same way as true prices are used in the calculation. The headings are chosen to give as wide and representative a coverage as possible; about 1,000 unit values are calculated for imports and exports, covering about 70 per cent and 60 per cent of the value of imports and exports

respectively. The indices are constructed by combining the unit values with the quantities recorded in the base year as weights. A full explanation of the methods used to compute this series is given in *Economic Trends* April 1975.

Visible trade on a balance of payments basis

The statistics of the value of imports and exports on a balance of payments basis are obtained by making various adjustments to the value of trade recorded in *Overseas Trade Statistics*. These adjustments relate to either the coverage of statistics or the valuation of items which are recorded. *Overseas Trade Statistics* includes, with a few exceptions, all goods entering or leaving the country whether or not their ownership changes and coverage adjustments are necessary to remove items where there is no change of ownership (for example, goods imported or exported for processing or repair) and to bring in items which are not included in *Overseas Trade Statistics* (e.g. new ships built and delivered abroad direct to UK owners). The main valuation adjustment is made to imports, which are valued c.i.f. in *Overseas Trade Statistics*, i.e. their value includes the freight and insurance costs of bringing them to this country; for balance of payments purposes these costs

are deducted from the value of imports since freight and insurance payments to foreign companies are included in invisible items in the balance of payments and those to UK companies are regarded as domestic transactions. Other adjustments include for exports the addition of an allowance for the net under-recording of exports when necessary; and for both imports and exports, adjustments to include transactions in non-monetary gold. These adjustments are described in greater detail in an article in *Trade and Industry* of 4 November 1970 and in the annual Pink Books *United Kingdom Balance of Payments*. The Pink Book also gives a more detailed breakdown of the value of the adjustments.

The import and export unit value and volume index numbers for commodity groups are calculated from the data recorded in *Overseas Trade Statistics*. In order to provide index numbers comparable with the statistics of the value of trade on a balance of payments basis index numbers are also constructed for total imports and exports on a balance of payments basis. Valuation adjustments are applied to the unit value indices and coverage adjustments are made to the volume indices.

The terms of trade series is derived by dividing the total export unit value index by the total import unit value index, both being on a balance of payments basis.

XV. OVERSEAS FINANCE

Balance of payments

The items in this table are more fully defined in *United Kingdom Balance of Payments 1965-75* (the Pink Book).

Current account

Exports f.o.b., and imports f.o.b.

The *Overseas Trade Statistics of the United Kingdom* are the basis of the balance of payments figures but certain adjustments are made in respect of valuation and coverage. The principal adjustment is the deduction of freight and insurance from the *Trade Statistics* figures of imports.

Visible balance

Exports f.o.b. less imports f.o.b.

Invisible balance

The net total of all invisible transactions, comprising:

- UK government payments and receipts in respect of services and transfers;
- sea transport and civil aviation;
- travel;
- other services (including commissions, insurance and other City earnings, advertising, royalties, construction work overseas, education and overseas governments' expenditure in the United Kingdom);
- interest, profits and dividends;
- private transfers.

Investment and other capital flows

Official long-term capital

This consists of inter-government loans and other UK official long-term capital (net).

Inter-government loans cover drawings and repayments of loans between the UK government and overseas governments.

Other official long-term capital includes capital subscriptions to international lending bodies, other than the IMF; net loans and investments overseas by the Commonwealth Development Corporation, repayments (as guarantor) to the IBRD of loans to Rhodesia; repayment in 1971 of a loan from the Deutsche Bundesbank; and capital contributions to the reserves of the European Coal and Steel Community and to the European Investment Bank.

Overseas investment in UK public sector

This consists of transactions with overseas residents in UK government and government guaranteed stocks (excluding those with central monetary institutions and international organisations), local authority securities and mortgages, public corporations' and local authorities' net issues abroad and their borrowing abroad from banks, etc. other than under the exchange cover schemes (uncovered borrowing in foreign currencies and sterling borrowing from external sources, mainly European institutions).

UK and overseas private investment

UK private investment overseas covers direct, portfolio and other investment. Overseas investment in UK private sector covers direct investment, portfolio investment in UK company securities, and other investment.

Direct investment comprises investment by UK companies in their overseas branches, subsidiaries and associates, and by overseas companies in their UK affiliates; the figures include the reinvestment of retained profits. Certain transactions of a number of public corporations are included. Government departments, oil companies and foreign-owned insurance companies are excluded.

UK portfolio investment overseas consists mainly of net purchases and sales of overseas government, municipal and company securities.

Overseas investment in UK company securities represents the changes in the holdings by overseas residents of UK company securities, including securities issued abroad.

Other (oil and miscellaneous) investment includes UK oil companies' investment abroad and overseas oil companies' investment in the United Kingdom on a basis comparable with the estimates of other direct investment. Other overseas investment by UK residents includes investment in real estate, and by the CDFC. Other overseas investment in the UK private sector includes borrowing by UK companies direct from banks and commercial companies overseas and identified investment in real estate and in the insurance industry in the United Kingdom.

Overseas currency borrowing or lending (net) by UK banks
Borrowing to finance UK investment overseas

Overseas currencies on-lent by UK banks to UK residents in the form of credits to finance UK investment overseas.

Other borrowing or lending (net)

This item covers changes in external liabilities and claims of UK banks in overseas currencies other than claims in the form of bills lodged with the banks (which are included in trade credit) and excluding borrowing reflected in amounts on-lent to UK residents referred to above. Up to the end of 1974, this item included claims on overseas customers arising from acceptances; subsequently they are excluded. Liabilities incurred by UK banks in respect of drawings by HM Government on the euro-dollar facility, and by UK public corporations and local authorities under the exchange schemes, are also excluded.

Exchange reserves in sterling

This item provides a broad measure of the changes in sterling reserves of overseas countries and international organisations (other than the International Monetary Fund) as reported by UK banks, etc. Transactions in British government stocks and banking and money market liabilities in sterling are shown separately.

Other external banking and money market liabilities in sterling

This item consists of the changes in UK external banking and money market liabilities in sterling to overseas residents, other than central monetary institutions and international organisations.

Import credit

This item consists of the change in trade credit received by UK businesses from overseas businesses other than affiliates and parent companies, less advance and progress payments from the United Kingdom.

For convenience, import deposits paid directly from overseas firms in the years 1968 to 1971 were included in the same heading.

Export credit

The entries consist of the changes in credit extended by banks in the United Kingdom and trade credit extended by UK businesses to overseas businesses other than affiliates

and parent companies, less advance and progress payments (including advances by UK banks).

Other short-term flows

Consists of changes in the following: total UK external sterling claims other than export bills; official assets and liabilities (n.e.i.) other than import deposits paid directly from overseas; other commercial short-term transactions (net); IMF administrative and operational expenditure and receipts in sterling, and IMF gold deposits in the United Kingdom.

Remainder of account

Capital transfers

Represents amounts paid over in implementation of the guarantee clauses of the Sterling Agreements of 1968 as renewed in 1971 and further extended until end-December 1974.

Balancing item

Represents the net total of errors and omissions in other items.

Allocation of Special Drawing Rights

The UK share of the allocation by the International Monetary Fund of the reserve asset, Special Drawing Rights. From 1 January 1970 UK holdings of Special Drawing Rights are included in the official reserves.

Official financing

IMF

UK drawings (including those under the oil facility) and repurchases, and drawings and repurchases in sterling by other countries which affect the UK's repurchase obligations to the International Monetary Fund. From July 1972 excludes transactions affecting the UK reserve position in the Fund, which are treated as changes in the official reserves.

Other monetary authorities

Net borrowing from Switzerland (with a sterling counterpart) in parallel with drawings from the IMF under the General Arrangements to Borrow, and other net borrowing from monetary authorities in the form both of assistance with a sterling counterpart and of foreign currency deposits. Also included in 1971 and 1972 are amounts swapped forward into later months with overseas monetary authorities.

Foreign currency borrowing by HM Government

These are drawings on a euro-dollar facility arranged by the Bank of England with UK clearing banks and their associates on behalf of HM Government to borrow \$2,500 million for a period of up to 10 years. The transaction is allocated to the debtor (HM Government) rather than the transactor (the clearing banks).

Foreign currency borrowing by public sector under exchange cover schemes

This is all borrowing by UK public corporations or local authorities under the 1969 and subsequent exchange

cover schemes. These borrowings (net of repayments) are in the form of issues abroad, direct borrowing abroad from banks, etc. or from UK banks but are included in official financing since they are regarded as primarily motivated by considerations of reserve management, the foreign currency generated being added to the official reserves.

Official financing liabilities and reserve assets

The figures in the table show the end of period levels of official financing equivalent to the items described above but valued in sterling at the end of period rates as described

in the footnotes to the table. Changes in the opening and closing levels figures do not equal the entries in the Balance of Payments accounts as these are valued at transactions rates of exchange.

Drawings on/additions to official reserves

Gold, IMF Special Drawing Rights, and convertible currencies held in the Exchange Equalisation Account, together with, from July 1972, the UK reserve position in the IMF. Drawings on or additions to the official reserves are valued in sterling at transactions rates of exchange from 23 August 1971.

XVI. HOME FINANCE

Consolidated Fund and National Loans Fund

Up to 31 March 1968, the Consolidated Fund was virtually synonymous with the term Exchequer which was then the Government's central cash account. From 1 April 1968, the National Loans Fund was set up with a separate cash account also at the Bank of England. From that date all the transactions relating to the national debt and most transactions connected with government lending were transferred to the new Fund from the Consolidated Fund.

This table summarises the latest monthly account of the Consolidated Fund and National Loans Fund transactions.

Consolidated Fund

Revenue

In addition to tax revenue, includes payments into the Consolidated Fund of broadcast receiving licence receipts, interest, dividends and other miscellaneous receipts. Interest and dividends receipts include amounts received from the Bank of England and Cable and Wireless Ltd., to cover interest on compensation stock, as well as interest on loans from Votes and dividends on capital investment and shares. Other miscellaneous receipts consist of receipts by departments, other than interest, which they are not authorised to appropriate in aid of their Votes; and certain receipts paid direct to the Treasury. The composition of these receipts varies from year to year.

Expenditure

The bulk of expenditure is for issues to Votes on supply services. The remaining expenditure is for standing services and comprises the following items:

- (i) debt interest—reimbursement to the National Loans Fund of interest and management charges of the national debt to the extent that they are not matched by interest received by the Fund on its own lending and by profits of the Issue Department of the Bank of England;
- (ii) payments to Northern Ireland in respect of their share of taxes, etc;
- (iii) payments to the European Communities (from January 1973); and
- (iv) other expenditure—the largest items being the net advances made to the Contingencies Fund from time to time to finance urgent expenditure in advance of Parliamentary authority.

National Loans Fund—net lending

The loans are shown net of repayments. Loans to nationalised industries are classified by purpose; thus Electricity covers the North of Scotland Hydro-Electric Board and the South of Scotland Electricity Board, as well as the Electricity Council, whilst Aviation covers the British Airports Authority and British Airways Board. Amongst other types of loans are those to other public corporations including New Towns, local authorities, harbour and regional water authorities; loans to the private sector are to housing associations, building societies, the Shipbuilding Industry Board and shipbuilders (under the Ship Credit Scheme); whilst lending within the central government includes advances to the Redundancy Fund and the Northern Ireland Government as well as certain lending to Votes for capital purposes.

Central government borrowing requirement (net balance)

The conventional account of the Consolidated Fund and National Loans Fund transactions is not a convenient form for the purpose of general financial analysis, because transactions are categorised by types of debt rather than by sources of borrowing. Moreover, most of the transactions of the central government are with official funds and agencies which are themselves engaged in transactions with the public. For instance, national insurance payments and contributions are brought to account in the National Insurance Funds, all of whose capital is government debt. As the balance on these funds rises and falls, so the central government's indebtedness to the funds is increased or diminished.

In order to arrive at a figure of borrowing by the central government from the figures given in the account of Consolidated Fund and National Loans Fund transactions, it is necessary to take account of changes in the central government's net indebtedness to these various official funds and agencies, known collectively as Other central government funds. The consolidated total represents the government's borrowing requirement which is the amount the government has to borrow *less* increase (*or plus* decrease) in its holdings of official reserves.

As from the August 1975 issue of the *Monthly Digest* the treatment of the redemption of government guaranteed stock has been altered. The adjustment item for this redemption has been removed thus increasing the borrowing requirement by a corresponding amount.

Departmental balances and miscellaneous: this item comprises

- (i) changes in balances on the accounts kept by government departments, mainly with the Paymaster General;
- (ii) changes in cash surpluses of the Director of Savings;
- (iii) changes in valuation of assets held by Bank of England Issue Department;
- (iv) transactions by Bank of England Issue Department in refinanced bills for export and shipbuilding credits;
- (v) capital transfers abroad in respect of Sterling Area Agreement guarantees;
- (vi) sterling, gold and foreign currencies profits and losses;
- (vii) International Development Association—interest free notes; and
- (viii) various statistical adjustments.

Inland Revenue duties

The figures show the aggregate amount of tax actually collected and brought into the department's accounts in the period shown, less the repayments made during the same period. They differ from the figures of amounts paid into the Consolidated Fund owing to the time taken to realise remittances. In the main the difference represents the variation between the amount of unrealised remittances brought forward from the previous period and that carried forward to the following period.

Amounts collected by the Board of Inland Revenue on behalf of other departments, chiefly national insurance contributions, are excluded.

Customs and Excise duties

The figures show the aggregate amounts of duty collected and brought into the department's accounts in the period less drawbacks and other repayments. The difference between the net receipts and payments into the Consolidated Fund arises from changes in:

- (i) working balances held by collectors;
- (ii) remittances in transit; and
- (iii) advances out of revenue to meet expenditure under authority of the Exchequer and Audit Departments Act, 1866, Section 10.

Most of the duty on beer, wine, made-wine, cider and perry produced in the United Kingdom is collected a month in arrear. Purchase tax was abolished on 31 March 1973.

VAT (introduced on 1 April 1973) is generally chargeable in respect of quarterly taxable periods which are staggered so as to spread the flow of returns more evenly over the year. Thus one group (mainly retailers and partly exempt traders) has tax periods January to March, April to June, etc., a second group (mainly wholesalers) has tax periods February to April, etc. and a third group (mainly manufacturers) has tax periods March to May, etc., but special arrangements applied for the first period.

The VAT is due not later than one month after the end of the period. However a taxable person who expects his input tax to exceed his output tax regularly may have a tax period of one month.

Most traders registered for car tax (introduced on 1 April 1973) have tax periods March to May, June to August, etc. and the tax is due not later than one month after the end of the tax period.

Duty deferment: With effect from 1 January 1973 EEC

Directive 6976 allows importers and agents a 30-day deferment of payment of certain duties. The major items involved are protective duties and for the last three months of its operation, purchase tax on imported goods. Deferment regulations have also applied from 1 April 1973 to VAT on imported goods if it falls to be paid at importation. The effect of deferments will be reflected in the table.

Bank of England

Issue Department

Other securities included refinance provided by the Issue Department, in the period up to March 1976, under the arrangements for medium and long-term finance of exports and domestic shipbuilding (for details see *Bank of England Quarterly Bulletin* June 1972 and March 1975).

Banking Department

Public deposits

All government balances held at the Bank, including the accounts of the National Loans Fund and HM Paymaster General, dividend accounts, those of the Commissioners for the Reduction of the National Debt, and those connected with tax collection and various government funds.

Special and supplementary deposits

The scheme which was introduced on 16 September 1971 applies to all banks observing the common 12½ per cent reserve ratio and to all finance houses observing the common 10 per cent reserve ratio; exceptionally, banks in Northern Ireland have not so far been required to make deposits. Special deposits are calculated as uniform percentages of the latest available monthly figures for each institution's eligible liabilities.

The initial consultative document 'Competition and credit control' was reprinted in the June 1971 *Bank of England Quarterly Bulletin*; details of these arrangements, and subsequent developments, have been published in later issues of the Bulletin.

For information on the Supplementary Deposits Scheme, see 'Credit control: a supplementary scheme' in the March 1974 Bulletin; again subsequent developments have been published in later issues of the Bulletin. The scheme was suspended on 28 February 1975 but was reintroduced in November 1976; details of the new provisions were reprinted in the December 1976 Bulletin.

Interest is normally paid on special deposits at a rate adjusted weekly to the nearest ¼ per cent per annum for Treasury bills issued at the latest weekly tender, but interest is not paid on supplementary deposits.

Bankers' deposits

Include the balances, held at the Bank, of the London and Scottish clearing banks, the discount houses, the offices in the United Kingdom of some other UK banks and a number of overseas and other banks. Balances of overseas central banks are included in Other accounts.

Reserve and other accounts

These also include balances held at the Bank by the Crown Agents for Oversea Governments and Administrations, and the dividend accounts of stocks managed by the Bank other than the direct obligations of the British Government.

Bank clearings and currency circulation

Credit clearing

A credit clearing, similar to the debit clearing (see below), was instituted at the London Bankers' Clearing House in April 1960 to cover, in the first instance, payment by traders' credit (including salary and pension payments effected through the traders' credit machinery) and standing order payments. In October 1960 the scheme was extended to include credits paid in over the counter by customers for transmission to accounts at other banks. In March 1961 a further stage was introduced enabling credits to be paid in at any clearing bank by a member of the public (whether having a banking account or not) for transmission to a banking account anywhere in the United Kingdom; for certain organisations this stage was delayed until October 1961.

The figures exclude credit transfers between offices of the same bank.

Debit clearing

The clearings reported by the London Bankers' Clearing House represent the total of bankers' effects (cheques, drafts, bills, interest warrants, etc.) passed through the clearing house for collection from the banks. They exclude cheques, bills, etc. drawn on and paid into offices of the same bank.

Provincial clearings, apart from the afternoon clearing at Liverpool, were abolished as from 12 January 1968.

Currency circulation

The series showing estimated average weekly circulation of notes and coin with the public relates to the total note issues of the Bank of England, the Scottish clearing banks and Northern Ireland banks, plus the estimated total of United Kingdom silver, cupro-nickel, bronze and nickel-brass coin in circulation less notes and coin held by the Bank of England (Banking Department), by the Scottish clearing and Northern Ireland banks (as published in the London and Belfast Gazettes), which are largely Bank of England notes held as cover for their note issue in excess of the authorized circulation, and by the London clearing banks.

The figures for the amount of coin in circulation are provided by the Royal Mint and make allowance for coin which has been lost, destroyed or otherwise wasted.

Reserve ratios and special deposits

Full definitions of reserve ratio items are contained in the article 'Reserve ratios: further definitions,' in the *Bank of England Quarterly Bulletin* December 1971.

For details of *special and supplementary deposits* see page 37.

Banks

Eligible liabilities comprises, in broad terms, sterling deposit liabilities, excluding deposits having an original maturity of over two years, plus any sterling resources obtained by switching foreign currencies into sterling. Inter-bank transactions and sterling certificates of deposit (both held and issued) are taken into the calculation of individual banks' liabilities on a net basis, irrespective of term. Adjustments are also made in respect of transit items.

Reserve assets comprises balances with the Bank of

England (other than Special Deposits), money at call with the London money market, British government and Northern Ireland government Treasury bills, British government stocks and stocks of nationalised industries guaranteed by HM government with one year or less to final maturity, local authority bills eligible for rediscount at the Bank of England and commercial bills eligible for rediscount at the Bank of England (up to a maximum of 2 per cent of eligible liabilities).

The *reserve ratio* is the total of reserve assets as a percentage of the total of eligible liabilities. Each bank is required to maintain reserve assets amounting to at least 12½ per cent of its eligible liabilities. The equivalent figure for each finance house is 10 per cent.

Finance houses

Eligible liabilities comprises deposits with an original maturity of two years or less received from UK residents, other than banks, or from overseas. The definition of *reserve assets* and the method of calculation of the *reserve ratio* are the same as for banks.

UK banks, overseas banks and consortium banks—summary

This table covers all banks observing the common 12½ per cent reserve ratio introduced on 16 September 1971; it excludes the Banking Department of the Bank of England, the National Giro, and the discount market which observes an undefined assets multiple. The figures cover the business of all the banks' offices within the United Kingdom. Reporting day is the third Wednesday in each month, except in December when it is the second Wednesday.

Liabilities and assets are reported at the value standing in the reporting banks' books. Liabilities and assets in currencies other than sterling are converted into sterling at the closing middle market spot rate on reporting days. The figures are therefore affected by movements in exchange rates.

The residential status of an official body, body corporate or person in these statistics follows the exchange control regulations. Under them, the United Kingdom comprises Great Britain, Northern Ireland, the Isle of Man and the Channel Islands. UK residents include the Government and other UK public authorities, UK diplomatic and military representatives overseas, companies and branches (including agents and agencies acting for or on behalf of them) which are established and operating in the United Kingdom and persons of overseas origin who are in the United Kingdom and who are classified as UK residents.

Overseas residents include overseas governments and public authorities (including their diplomatic and military representatives), London offices of official monetary institutions, international organisations and their branches or representatives in the United Kingdom, companies and branches (including agents and agencies acting for or on behalf of them) which are established and operating outside the United Kingdom and persons, including those of UK origin, who have taken up residence outside the United Kingdom.

Deposit liabilities includes all credit balances on customers' accounts, including deposits by other banks (except deposits in connection with syndicated lending); overdrawn accounts with UK and overseas correspondents; and

deposits by overseas offices of the reporting bank (except working capital provided by head offices overseas). It also includes certificates of deposit and all liabilities in gold bullion or gold coin, except that deposited for safe custody.

Sight deposits comprises balances as defined above, whether interest-bearing or not, which are transferable or withdrawable on demand without interest penalty (or interest indemnity). It includes money immediately at call and money placed overnight.

Time deposits comprises all other deposit liabilities as defined above (with the exception of certificates of deposit which are shown separately). Included are promissory notes issued by the reporting bank; bills drawn by the reporting bank under an acceptance credit facility provided by another bank; and such instruments as silver and other commodity deposit receipts.

Items in suspense and transmission comprises credit balances not in customers' names but relating to customers' funds rather than to banks' internal funds or to shareholders' funds, together with standing orders and credit transfers debited to customers' accounts, and other items for which the corresponding payment has not yet been made by the reporting bank. It includes credits in course of transmission to the banks' own UK branches, the UK branches of other banks and to banks and banking offices abroad.

Capital and other funds includes shareholders' funds, working capital provided by overseas offices, together with all internal accounts (both liability and asset).

For details of *eligible liabilities, reserve assets and reserve ratios*, see page 38; *special and supplementary deposits* see page 37.

Market loans (other than reserve assets) includes all balances (including correspondent balances) with, and funds lent to, listed banks and to banks overseas, apart from trade or portfolio investments. For other UK institutions it includes only funds lent through brokers or in special financial markets, such as the local authority money market and the finance company deposit market, i.e. it does not include funds lent direct to the reporting banks' customers in the ordinary course of banking business.

Market loans to banks in the United Kingdom includes bills drawn by other listed banks under acceptance credit facilities and discounted by the reporting bank, promissory notes and other negotiable paper (excluding certificates of deposit) issued by listed banks. *Market loans to the discount market* comprises funds which are not both secured and immediately callable. It includes non-reserve asset money with the discount houses, the discount brokers and the money trading departments of listed banks. *Certificates of deposit* include only those issued by UK listed banks. Non-reserve asset money with listed money brokers is included under *market loans to UK private sector*.

Market loans to overseas includes bills drawn under acceptance credit facilities opened by overseas banks (including overseas offices of the reporting bank) which the reporting bank has itself discounted, and certificates of deposit, promissory notes and other negotiable paper issued by overseas banks and owned by the reporting bank.

Bills (other than reserve assets) includes bills, promissory notes and other negotiable paper (excluding certificates of deposit) owned by the reporting bank. It excludes acceptances by the reporting bank which it has also dis-

counted, bills connected with refinancable lending under the special schemes for exports and shipbuilding, and bills which the reporting bank has disposed of by rediscounting. Bills and notes are classified according to the currency in which they are drawn.

Advances includes all balances with, and lending (whether against collateral or not) direct to, customers not included elsewhere. It includes the reporting bank's own acceptances which it has also discounted, except for those drawn by another listed bank or by banks overseas, which are entered under market loans. Own acceptances discounted are shown as advances to the party on whose behalf the acceptance credit has been opened. Provisions for bad and doubtful debts are not deducted. Where the reporting bank participates in (or acts as manager or co-manager of) a loan financed by more than one institution, it includes only the reporting bank's participation for its own account, the loan being classified according to the ultimate borrower. *Advances to UK private sector* includes all medium and long-term (i.e. with an original maturity of two years and over) refinancable lending at fixed rates for domestic shipbuilding under Department of Industry guarantee, less any amounts refinanced. Non-reserve asset money with jobbers on the stock exchange is included in advances to UK residents. *Advances to overseas* includes all medium and long-term refinancable lending at fixed rates for exports under ECGD guarantee, less any amounts refinanced, and all short-term export lending (i.e. with an original maturity of up to two years) at rates related to base rate under ECGD comprehensive bill and open-account guarantee schemes.

Investments includes all securities beneficially owned by the reporting bank or branch. It includes securities which the reporting bank has lent (or pledged) but still beneficially owns, but excludes securities which the reporting bank has borrowed and which it does not beneficially own.

British government stocks includes all stocks issued by the Government and stocks of nationalised industries guaranteed by the Government. *Other public sector investments* include stocks and bonds issued by local authorities except mortgage bonds, which are included in advances. *Other investments* includes all investments in listed banks which are subsidiaries or associates of the reporting bank, and deposits with overseas offices which have been invested in fixed assets such as premises and equipment.

Items in suspense includes all debit balances not in customers' names but related to customers' funds rather than to the banks' own internal funds, e.g. debit balances awaiting transfer to customers' accounts. *Collections* comprises cheques, etc. drawn on and in course of collection on banks and other institutions in the United Kingdom, and debit items in transit between UK offices of the reporting bank. It includes cheques that have been credited to customers' accounts but are held overnight before being presented or paid into another bank, but excludes cheques already passed to other banks listed for collection (these are entered as balances with UK banks). It includes all collections on banks outside the United Kingdom and items in transit to overseas offices of the reporting bank, where the reporting bank is acting as principal and not as an agent for collection and where it has already given credit or value for the items.

Assets leased includes all plant and equipment beneficially owned by the reporting bank which has been leased out (except plant and equipment leased to branches, sub-

sidiaries or associates overseas which are treated as overseas investments).

Other miscellaneous assets includes unallocated gold bullion and gold coin. It also includes other commodities (e.g. silver), land, premises, plant and equipment and other goods beneficially owned, but excluding assets leased.

Acceptances comprises all acceptances given by the reporting bank which are still outstanding, excluding any which the reporting bank has also itself discounted, but including any such discounts which have been rediscounted.

London clearing banks comprises the members of the Committee of London Clearing Bankers.

An article describing the main features of the new banking statistics for May 1975 onwards may be found in the June 1975 *Bank of England Quarterly Bulletin*; additional notes to the series up to April 1975 may be found in the March 1975 Bulletin and in earlier issues.

Discount market

The discount market is here defined as the eleven discount houses which belong to the London Discount Market Association, two discount brokers (Gerald Quin, Cope and Co. Ltd., and Page and Gwyther Ltd.) and the money trading departments of six banks traditionally maintaining such business (Algemene Bank Nederland NV, Banque Belge Ltd., Ionian Bank Ltd., Keyser Ullmann Ltd., Leopold Joseph and Sons Ltd., and Samuel Montagu & Co. Ltd.).

Credit control is applied to the discount market through a limit on each institution's aggregate holding of 'undefined assets' to a maximum of twenty times its capital and reserves. Undefined assets for this purpose are all assets other than those in the following list:

- (a) balances at the Bank of England;
- (b) UK and Northern Ireland Treasury bills;
- (c) government stocks with not more than five years to final maturity;
- (d) local authority stocks with not more than five years to final maturity;
- (e) local authority and other public boards' bills eligible at the Bank;
- (f) local authority negotiable bonds; and
- (g) bank bills drawn by nationalised industries under specific government guarantee.

For further details see 'Competition and credit control: modified arrangements for the discount market' in the *Bank of England Quarterly Bulletin* September 1973.

Other sterling bills

Mostly commercial bills drawn on banks and firms resident in the United Kingdom and on the London offices of overseas banks. The maximum maturity is not ordinarily longer than six months.

UK local authority securities

Include local authority marketable bonds.

Certificates of deposit

Negotiable dollar certificates of deposit were first issued in May 1966 and sterling certificates of deposits in October 1968. The discount market acts as a secondary market for both types of certificate.

Borrowed funds

Very short-term interest-bearing loans, mainly from banks in the United Kingdom.

Analysis of advances to UK residents by banks in the United Kingdom

The analysis was changed in May 1975 along with the other banking statistics. The principal differences between the old and new series were set out in the notes to Table 10 in the December 1975 *Bank of England Quarterly Bulletin*.

The analysis is based as far as possible on the Standard Industrial Classification: there are twenty-three categories grouped under the broad headings of manufacturing, other production, financial, services and personal. Advances are classified by industry, irrespective of owner (i.e. private, local authority or government); and if an advance cannot be attributed to any particular activity, it is classed according to the main activity of the borrower - if necessary within the residual groups provided under the broad divisions. Advances to merchants, brokers, importers and exporters are included in retail distribution or other distribution, as appropriate, and advances to unincorporated businesses, etc. are allocated according to the trade or profession.

The analysis covers advances in both sterling and foreign currencies provided by banks to their customers and therefore does not include funds placed through the specialised financial markets, such as the local authority money market or the finance company deposit market. The dates and contributors are the same as for Table 152.

Figures for the Northern Ireland banks are broadly comparable with those provided by the other contributors to the table, but are in slightly less detail for certain classifications.

It is not yet possible to provide a seasonally adjusted series of the new figures. However, an estimate has been made of the value of transactions in foreign currency excluding changes in the 'Sterling value' of existing business in foreign currency arising from fluctuations in exchange rates.

Money stock

There is no single, universally accepted, definition of money. Any definition must, therefore, to some extent be arbitrary, and different monetary aggregates will be useful for different purposes.

The current definitions of money stock (M_1 and M_3) are as follows:

The first definition (M_1) is a narrow one consisting of notes and coin in circulation with the public plus Sterling sight deposits held by the private sector only. The other definition (M_3) comprises notes and coin in circulation with the public together with all deposits (including certificates of deposit), whether denominated in sterling or other currencies, held by UK residents in both the public and private sectors. Foreign currency deposits (including certificates of deposit) are, however, excluded from Sterling M_3 . In all definitions 60 per cent of the net value of sterling transit items is deducted and deposits are confined to deposits with institutions included in the UK banking sector which comprises all banks observing the common 12½ per cent reserve ratio, the Banking Department of the Bank of England, the National Giro and the discount market institutions.

(For further details see the August 1970 issue of *Economic Trends* and the *Bank of England Quarterly Bulletin* September 1970, March 1972, June 1975 and December 1976 additional notes to Table 11).

Seasonally adjusted estimates of quarterly changes in the money stock are derived from a process of adjustment of the whole or the financial transactions matrix and therefore take account of the additional constraints imposed by that process. In particular:

- (i) in any quarter, the sum of the adjustments of all sectors for a particular asset or liability is zero; and
- (ii) in any quarter, the sum of the adjustments for the identified assets and liabilities of a particular sector is related, where possible, to the adjustment for the net acquisition of financial assets for that sector.

In addition, adjustments have been made to allow for the effect of varying days of the week on which a quarter begins and ends. These will not usually cancel out over the year since successive years end on different days of the week. (For a further explanation see pages 416-7 of the *Bank of England Quarterly Bulletin*, December 1969 and pages xli-xlvii of *Economic Trends* March 1972).

The seasonal adjustments for the monthly series for M_1 and M_3 are less reliable than those for the quarterly series. (See the article 'Changes in Banking Statistics' in the *Bank of England Quarterly Bulletin*, March 1972).

For further information on the money stock see the article 'New money stock tables' and the additional notes to Table 12 in the *Bank of England Quarterly Bulletin*, December 1972.

Domestic credit expansion

DCE can be presented in two main ways. First it can be seen as bank and overseas lending to the public sector plus bank lending in sterling to the private and overseas sectors plus changes in public holdings of notes and coin. Second it can be derived from the total public sector borrowing requirement less the net acquisition of public sector debt by the non-bank private sector, plus bank lending in sterling to the private and overseas sectors. (This is a revised definition introduced at the end of 1976; it covers all the figures shown in this table.)

Hire purchase and other instalment credit

Coverage of the figures

The figures relate to hire purchase and other instalment credit advanced by finance houses (including those recognised or confirmed as banks since January 1972) and selected kinds of retail business. These comprise durable goods shops (i.e. furniture shops, radio and electrical goods shops, cycle and perambulator shops, radio and TV rental specialists, the showrooms of gas and electricity boards and the durable goods departments of co-operative societies), department stores, other general stores, general mail order houses and the non-durable goods departments of co-operative societies.

Retailers directly finance most of their instalment credit sales themselves, the balance being financed directly by finance houses. The main business of finance houses, however, is the direct financing of instalment credit sales of motor vehicles and caravans, together with a substantial amount of farm, industrial and building plant and equipment and other non-household goods.

The figures relate not only to hire purchase agreements but also to other forms of instalment credit, for example credit sales agreements and personal loans repayable by instalments. Credit advanced by retailers in the form of trading checks exchangeable only in their own shops is

included, but credit advanced by check traders as such is not covered by the figures. Credit advanced other than on instalment terms (e.g. monthly account credit) is also not included.

The figures do not include the instalment credit business of kinds of retailer not listed above.

Debt

The estimates of debt outstanding relate to the balance of instalments remaining to be paid at the end of the period. Some of the debt owing directly to retailers is discounted with finance houses but this discounted debt is included in the figures for retailers. The figures for finance houses comprise only the debt on agreements entered into by them directly with the customer, and they exclude debt on their other financing activities (discounting of retailers' agreements, financing of dealers' stocks, etc.).

New credit extended

New credit extended is the total amount advanced including charges, i.e. the credit price of the goods less deposits. As with the figures of debt, the figures for finance houses relate only to agreements entered into by them directly with the customer: the figures for retailers include agreements subsequently discounted with finance houses.

Sources of the figures

The estimates for retailers are based on the results of the 1966 Census of Distribution (see *Trade and Industry* 14 June 1973 page 525), projected by means of monthly returns from a stratified panel of retailers, in the same way as the statistics of total retail sales (see page 30). (Revised estimates based on the final results of the 1971 Census of Distribution will be published in due course.) The basic data collected are debt outstanding and the value of instalment credit sales: the estimates of new credit are derived by making an allowance for deposits and (since the figures of sales relate to all sales on instalment credit, whether financed directly by the retailer or by a finance house) then deducting the credit extended by finance houses for household goods to allow for duplication.

The estimates for finance houses are based on the results of an inquiry taken in respect of business in the year 1965 (see *Board of Trade Journal*, 10 December 1969). As in the case of retailers, these are projected by means of monthly returns from a panel of finance houses, comprising all the largest houses and a sample of the smaller ones. The data collected from finance houses include the actual amounts of credit extended.

The latest summary statistics (in seasonally adjusted terms) are published each month in *Trade and Industry*. Detailed statistics appear each month in the Business Monitor series.

National savings

The terms offered on the main forms of national savings on sale from 1966 onwards, giving the dates from which the changes were operative, are shown below.

Standard or basic rates of tax:

1965/66 to 1970/71	41.25 per cent
1971/72 to 1972/73	38.75 per cent
1973/74	30.00 per cent
1974/75	33.00 per cent
1975/76	35.00 per cent
1976/77	35.00 per cent

	<i>National savings certificates:</i> Interest free of income tax, surtax and capital gains tax.	
1970 5 October	Decimal issue, £1 units. Maximum holding £500. Compound interest if held for four years £5·73½ per cent per annum; if held for a further two years £6·96 per cent per annum; if held for a further four years £7·36 per cent per annum	yield when grossed up for income tax at 30 per cent or £9·28 per cent at 33 per cent tax, or £9·30 per cent at 35 per cent tax.
1971 1 April	Maximum holding £1,000	1st issue 9½ per cent. Maximum holding £10,000. Bonus £3 per cent if held for five years. Equivalent to £10·27 per cent per annum annual net redemption yield when grossed up for income tax at 33 per cent, or £10·29 per cent at 35 per cent tax.
1973 7 March	Maximum holding £1,500	Jubilee issue 8½ per cent. Maximum holding £10,000. Bonus £4 per cent if held for five years. Equivalent to £9·57 per cent per annum net redemption yield when grossed up for income tax at 35 per cent.
1974 11 June	14th issue, £1 units. Maximum holding £1,000. Compound interest if held for four years £7·59 per cent per annum.	The net redemption yield is obtained by adding to the rate of interest (less income tax at standard or basic rates of tax) the income tax-free bonuses discounted over the life of the bond.
1975 2 June	Retirement issue (index-linked). Available to people of national retirement pension age in £10 units, and may be held for five years. Maximum holding £500. Repayment value related to the movement of the United Kingdom Retail Prices Index between purchase date and repayment, except that if encashed within one year of purchase repayment at face value only. A bonus of £4 per cent of the purchase price will be added to certificates repaid on or after fifth anniversary of purchase date. At no time will repayment value be less than purchase price.	<i>Save As You Earn scheme:</i> Parallel schemes operated by the Department for National Savings and the trustee savings banks until the introduction of the index-linked issue which is administered by the Department for National Savings only. Interest and bonuses are free of income tax and capital gains tax.
1976 13 December	16th issue, £5 units. Maximum holding £1,500. Compound interest if held for four years £8·78 per cent per annum. On sale until 31 March 1977 only; sale of 14th issue suspended.	1969 1 October First issue. Fixed monthly payments of £1 to £10 contracted for five years. Terms as follows:
1969 28 April	1st issue 7 per cent. Maximum holding £10,000. Bonus £2 per cent if held for five years. Equivalent to £7·62 per cent per annum annual net redemption yield when grossed up for income tax at 41·25 per cent or £7·60 per cent at 38·75 per cent tax, or £7·53 per cent at 33 per cent tax, or £7·55 per cent at 35 per cent tax.	(a) 5 year bonus equal to 1 year's savings at a nominal annual rate of £6·99½ per cent compounded monthly. Alternatively for savings left invested for a further 2 years;
1971 3 May	2nd issue 7 per cent. Maximum holding £10,000. Bonus £3 per cent if held for five years. Equivalent to £7·88 per cent per annum annual net redemption yield when grossed up for income tax at 38·75 per cent, or £7·75 per cent at 30 per cent tax, or £7·80 per cent at 33 per cent tax, or £7·82 per cent at 35 per cent tax.	(b) 7 year bonus equal to 2 years' savings at nominal annual rate of £7·41 per cent compounded monthly for 5 years and annually for 2 years;
1973 7 May	1st issue 8½ per cent. Maximum holding £10,000. Bonus £3 per cent if held for five years. Equivalent to £9·24 per cent per annum annual net redemption	(c) no interest paid for savings withdrawn in first year of contract's registration;
		(d) 2½ per cent per annum is paid on savings withdrawn after first but before end of fifth year (but see (f));
		(e) 4½ per cent per annum is paid on savings left for remainder of full 5 years and thereafter to 7 years after payments have been discontinued and contracts lapse; and
		(f) 4½ per cent per annum is paid on sums subscribed over a complete year by a deceased contractor.
		1971 1 September Maximum monthly payment increased to £20. A second contract can be taken out one month after first, but total monthly payments on all contracts must not exceed £20.
		1974 1 July Second issue. Maximum monthly payment £20 in addition to amounts for earlier series. Terms as follows:

1975 1 July

- (a) 5 year bonus equal to 14 monthly contributions at an effective annual rate of £8·32 per cent. Alternatively, for savings left invested a further 2 years;
- (b) 7 year bonus equal to 28 monthly contributions at an effective annual rate of £8·63 per cent;
- (c) no interest is paid for savings withdrawn in the first year of contract's registration;
- (d) where contributions have stopped, 6 per cent per annum is paid on savings withdrawn up to the end of the seventh year;
- (e) in case of death 8 per cent per annum is paid on savings withdrawn up to the end of the seventh year; and
- (f) interest paid after the seventh year to be determined by the Treasury.

Third issue (index-linked). Fixed monthly payments of £4 to £20 contracted for five years, may be held in addition to amounts for earlier series.

Terms as follows:

- (a) Each contribution separately revalued in line with movement of the Retail Prices Index figures applicable to the month of contribution and the fifth anniversary of the start date;
- (b) if savings withdrawn after 60 payments the revalued contributions are added together to arrive at the total repayment value of the contract;
- (c) if contract maintained a further two years, no further contributions paid, but each of the 60 payments index-linked in line with the RPI applicable to seventh anniversary of start date. In addition a bonus equal to two monthly contributions is paid;
- (d) where payment requested between fifth and seventh anniversaries of start date the amount due at fifth anniversary is payable;
- (e) no interest is paid on savings withdrawn in first year, but thereafter if contributions have stopped interest is paid at the rate of 6 per cent per annum compounded monthly on savings withdrawn up to the end of the seventh year;
- (f) in case of death, no interest is payable if repayment is made in first year, but thereafter, where repayment made on or after first anniversary of start date, contributions are index-linked.

Premium savings bonds: First issued 1 November 1956. Prizes free of income tax and capital gains tax.

1966 1 February	Maximum holding £1,000. A prize of £25,000 in February, May, August and November each year in addition to monthly prizes. Interest at 4½ per cent forms a prize fund.
1967 14 April	Maximum holding £1,250.
1968 1 September	The rate of interest forming the prize fund raised to 4½ per cent per annum and a prize of £25,000 awarded weekly in addition to monthly prizes.
1971 1 April	Maximum holding £2,000.
1971 1 August	The rate of interest forming the prize fund raised to 4½ per cent per annum and a prize of £50,000 each month in addition to the weekly prize of £25,000.
1972 5 February	Minimum purchase £2 bond, representing two £1 bonds.
1973 1 July	The rate of interest forming the prize fund raised to 4½ per cent per annum, and twenty-five £1,000 weekly prizes awarded in addition to the £25,000 weekly prize.
1974 1 July	The rate of interest forming the prize fund raised to 5½ per cent per annum; monthly prize of £50,000 increased to £75,000, and also an additional monthly prize of £25,000; weekly prize of £25,000 increased to £50,000.
1976 1 November	The rate of interest forming the prize fund raised to 5½ per cent per annum; monthly prize of £75,000 increased to £100,000; proportion of £50 prizes increased and number of £25 prizes reduced. Minimum purchase raised to £5.
<i>Deposits with National Savings Bank and trustee savings banks (ordinary department):</i>	
1969 1 July	Maximum deposit £10,000 on individual holdings. Interest 2½ per cent per annum. Interest up to £15 per annum free of income tax but not surtax: equivalent to £4 5s 1d (£4·25) per annum grossed up annually for income tax at 41·25 per cent.
1970 21 November	Interest rate raised to 3½ per cent on trustee savings bank accounts.
1971 1 January	Interest rate raised to 3½ per cent on NSB accounts. Interest up to £21 per annum free of income tax but not surtax; equivalent to £5·71 per cent per annum grossed up annually for income tax at 38·75 per cent.
1972 21 November	Interest rate raised to 4 per cent per annum on trustee savings bank accounts.
1973 1 January	Interest rate raised to 4 per cent per annum on NSB accounts.

1973 1 April	Interest up to £40 per annum free of all levels of income tax from the 1974/75 year of assessment; equivalent to £5.71 per cent when grossed up for income tax at the basic rate of tax of 30 per cent, £5.97 per cent at 33 per cent tax, or £6.15 per cent at 35 per cent tax.
1977 1 January	Interest rate raised to 5 per cent per annum on NSB accounts.
1977 1 April	Interest up to £50 per annum free of all levels of income tax from the 1978/79 year of assessment; equivalent to £7.69 per cent when grossed up for income tax at the basic rate of tax of 35 per cent.
<i>Deposits with Account:</i>	<i>National Savings Bank Investment</i>
1969 1 July	Maximum deposit £10,000.
1969 1 October	Interest 7 per cent per annum.
1970 1 July	Interest 7½ per cent per annum.
1973 1 January	Interest 8 per cent per annum.
1974 1 January	Interest 9 per cent per annum.
1974 1 May	Rule for £50 in Ordinary account abolished.
1974 6 June	Rule for £10,000 maximum deposit abolished.
1977 1 January	Interest 10 per cent per annum.

Deposits with trustee savings banks (special investment departments):

Rates of interest vary from bank to bank.	
1969 1 July	Maximum deposit £10,000.
1974 1 May	Rule for £50 in Ordinary account abolished.
1974 6 June	Rule for £10,000 maximum deposit abolished.

The series does not include issues of national savings stamps and gift tokens. For earlier changes affecting national savings see *Notes and Definitions to Financial Statistics*.

Prices and yields of industrial securities

Figures are taken from the FT—Actuaries share indices which are published daily in the *Financial Times*. Details of the compilation of the indices are given in the booklet *Guide to the FT Statistics* published by the Financial Times. The prices taken are middle market prices at close of business, adjusted for accrued interest gross in the case of debentures and preference shares. Until 26 July 1968 the adjustment was accrued interest less income tax at the standard rate. The base date is 10 April 1962 (the starting date of the short-term capital gains tax). Monthly and annual figures are arithmetic averages of those for working days.

Debentures: The index is calculated from the price changes since the base date of fifteen redeemable stocks with an average term to maturity of about twenty years. The stocks are divided into three groups according to redemption date and the price factors for the three groups are

combined in a weighted average to provide a price index appropriate to a stock of exactly twenty years' duration. The weights for the various groups change daily.

Preference stocks: There are 20 component stocks and the price index is 1/20th of the sum of the percentage changes in prices of these stocks. Yields are the arithmetic averages of those calculated on each stock.

Ordinary shares: The index is a weighted arithmetic average of the percentage price changes of 500 industrial ordinary shares; weights for each constituent are the total market value of the shares issued at the base date but are modified to maintain continuity when capital changes occur, e.g. rights issues, or when constituents change, e.g. when companies disappear owing to takeovers or new companies become large enough to qualify for the indices.

Dividend yields: These are the totals of the last year's dividends, up to the most recently declared, payable on the capital of constituents expressed as percentages of total market valuation. From February 1973 the yield is calculated by grossing up the net dividend yield at the advance corporation tax rate (30 per cent until 29 April 1974, 33 per cent from 30 April 1974 until 22 April 1975 and 35 per cent from 23 April 1975).

Bank rate and minimum lending rate

The minimum rate at which the Bank of England, acting as lender of last resort, normally lends to members of the discount market against security of British government Treasury bills, other approved bills, or British government stocks with five years or less to maturity.

Bank rate for the period 1932 to 12 October 1972 was as follows:

	per cent
From 1932 30 June	2
1939 24 August	4
28 September	3
26 October	2
1951 8 November	2½
1952 12 March	4
1953 17 September	3½
1954 13 May	3
1955 27 January	3½
24 February	4½
1956 16 February	5½
1957 7 February	5
19 September	7
1958 20 March	6
22 May	5½
19 June	5
14 August	4½
20 November	4
1960 21 January	5
23 June	6
27 October	5½
8 December	5
1961 25 July	7
5 October	6½
2 November	6
1962 8 March	5½
22 March	5
26 April	4½

1963	3 January	4
1964	27 February	5
	23 November	7
1965	3 June	6
1966	14 July	7
1967	26 January	6½
	16 March	6
	4 May	5½
	19 October	6
	9 November	6½
	18 November	8
1968	21 March	7½
	19 September	7
1969	27 February	8
1970	5 March	7½
	15 April	7
1971	1 April	6
	2 September	5
1972	22 June to 12 October	6

With effect from 13 October 1972, Bank rate was replaced by the Bank's minimum lending rate to the market which is normally one-half per cent higher than the average rate of discount for Treasury bills established at the weekly tender, rounded to the nearest one-quarter per cent above. The rate then becomes effective, for lending by the Bank, from the following Monday. Special changes in the rate are not excluded under this system, in which event the operation of the formula is temporarily suspended until market rates have adjusted themselves to the new level.

Capital issues and redemptions

The estimates relate to new money raised by issues of ordinary, preference and loan capital (public issues, offers for sale, issues by tender, placings, and issues to shareholders and employees) by listed public companies and local authorities in the United Kingdom and by overseas public companies and public authorities (including local authorities and international organisations). The estimates include UK local authority negotiable bonds (of not less than one year) issued to or through the agency of banks, discount houses, issuing houses or brokers. Mortgages, bank advances and any other loans redeemable in less than twelve months are excluded, as also are loans from UK government funds, but not government subscriptions to company issues made *pari passu* with the market. Issues to shareholders are included only if the sole or principal share register is maintained in the United Kingdom. Estimates of issues are based on the prices at which securities are offered to the market. Subscriptions are recorded under the periods in which they are due to be paid. Redemptions relate to fixed interest securities of the kinds included as issues; conversions are included in the gross figures of both issues and redemptions.

The division between United Kingdom and overseas company borrowers is determined by the location of the registered office. All international issues (usually issues made on more than one market and through an international syndicate) are now excluded from this table.

A fuller description of the estimates is given in the *Bank of England Quarterly Bulletin*, Volume VI, No. 2 (June 1966).

XVII. WAGES AND PRICES

Average weekly earnings and hours worked in manufacturing and certain other industries

The industries covered are those for which separate figures are given, together with mining and quarrying (except coal mining), leather, leather goods and fur, certain miscellaneous services and public administration. The figures are based on returns from employers showing, for a particular week in the month indicated, the number of manual workers actually at work, their aggregate earnings and the total number of man-hours worked. The returns received cover over five million workers, but in calculating the general averages and those for each of the groups of industries shown separately the averages for the individual industries have been 'weighted' on the basis of the estimated total number of manual workers employed in each industry.

Percentage changes in average earnings represent the combined effect of a number of factors, including (a) increases in rates of wages; (b) changes in the number of hours actually worked and in the proportion of hours paid for at overtime, week-end and night-shift, etc., rates; (c) extensions of systems of payment by results in some industries, and increased output by the workers affected and (d) changes in the relative numbers of workers employed in different industries.

Details of average weekly earnings of men and women, by standard regions, are given in the February issues of the *Department of Employment Gazette*. Information on the

earnings of hospital employees in the national health services, agricultural workers, coal miners and workers employed by British Rail and London Transport is given from time to time in the *Department of Employment Gazette*, previously the *Ministry of Labour Gazette*.

Index of average earnings of all employees (monthly enquiry)

The index of average earnings is compiled from information supplied by employers about their wages and salaries bill. The index measures the change from month to month in the average earnings in industry groups, in manufacturing as a whole and in all industries and services covered (combined). The last two indices are given both before and after seasonal adjustment.

The index was introduced in January 1963 but was revised in January 1967. A further revision was effected in January 1970 to conform with the Standard Industrial Classification (revised 1968). This series is explained in articles in the March 1967, July 1971 and May 1975 issues of the *Department of Employment Gazette*. The industries covered are shown in the published table, the footnotes to which also amplify these notes.

Index of basic weekly rates of wages

The index of weekly rates of wages measures the average

movement from month to month in the level of full-time basic weekly rates of wages of manual workers (including shop assistants but excluding clerical, technical and administrative workers) in the principal industries and services in the United Kingdom compared with the level at 31 July 1972 taken as 100. The index is based on a selection of the recognised minimum rates of wages or minimum entitlements which are the outcome of centrally determined arrangements, usually voluntary collective agreements between organisations of employers and work-people, or Wages Orders, in some 80 industries and services. General supplements to basic rates are included in minimum entitlements. Where there is an appreciable amount of piecework, the movements in piece rates of wages are taken into account as well as movements in time rates. From this material estimates are made of the percentage movement in each industry in the wage rates for men, women and juveniles, respectively, and for all classes of workers combined. The percentage increases in the various industries are then combined in accordance with the relative importance of the industries, as measured by their total wages bills in 1970.

Indices are computed for all industries and services taken together and for a sub-group comprising manufacturing industries only and, for all workers combined, for 18 industry groups. If comparisons are made between one group and another it should be remembered that the indices for a particular group may have been affected by the incidence of changes in rates of wages in the months immediately prior to the base date (31 July 1972) and that having regard to the considerable variation in the provisions of collective agreements and statutory wages regulation orders there is no common pattern for the calculations of the indices for individual industries. Juveniles, in general, comprise males under 21 and females under 18 years of age.

The index does not reflect changes in earnings due to changes in such factors as the numbers of workpeople employed in different industries, in the relative proportions of workers in different age and sex groups, or engaged in different occupations and wage grades, or paid at time or piece rates. Neither does it reflect changes in the amount of overtime, short-time or absenteeism or changes in the earnings of piece-workers and other payment-by-results workers due to variations in output or the introduction of new machinery, etc.

The representative industries and services for which changes in rates of wages are taken into account in the index and fuller details of the method of calculation were described on pages 50 and 51 of the issue of the *Ministry of Labour Gazette* for February 1957 and pages 796 and 797 of the *Department of Employment Gazette* for September 1972.

Index of basic normal weekly hours

The index of normal weekly hours measures, for the same representative industries and services, the average movement from month to month in the level of normal weekly hours of work compared with the level at 31 July 1972 taken as 100. The normal weekly hours used in the calculation of the index are those in respect of which all rates used in the calculation of the index of weekly rates of wages are payable and hours for the separate industries are then combined in accordance with their relative importance, as measured by the numbers employed at the base date.

The index does not reflect changes in *actual* hours worked, which are affected by changes in the amount of overtime, short-time and absences for other reasons.

The method of calculation was described in more detail on pages 330 and 331 of the issue of the *Ministry of Labour Gazette* for September 1957 and pages 796 and 797 of the *Department of Employment Gazette* for September 1972.

Index of basic hourly rates of wages

The index of basic weekly rates of wages does not show any movement when normal weekly hours of work are altered without any corresponding change in weekly rates of wages. The series for basic hourly rates of wages is obtained by dividing the monthly figures for the index of basic weekly rates of wages by the corresponding figures for the index of normal weekly hours.

General

Weighting structures

The following table gives details of the weights allocated to the various industry groups for the index of basic weekly rates of wages and the index of normal weekly hours.

Order	Industry group	Weights	
		Index of weekly wage rates	Index of normal weekly hours
I	Agriculture, forestry, fishing	210	247
II	Mining and quarrying	305	298
III	Food, drink and tobacco	436	445
IV	Chemicals and allied industries and V and Coal and petroleum products	283	244
VI	Metal manufacture; Mechanic to XII cal, instrument and electrical engineering; Shipbuilding and Marine engineering; Vehicles; Metal goods not elsewhere specified	2,840	2,471
XIII	Textiles	352	441
XIV	Leather, leather goods and fur	28	33
XV	Clothing and footwear	209	352
XVI	Bricks, pottery, glass, cement, etc.	227	204
XVII	Timber, furniture, etc.	179	186
XVIII	Paper, printing and publishing	387	340
XIX	Other manufacturing industries	197	190
XX	Construction	970	970
XXI	Gas, electricity and water	209	191
XXII	Transport and communication	1,034	869
XXIII	Distributive trades	802	1,023
XXV	Professional and scientific services	382	401
XXVI	Miscellaneous services	576	713
XXVII	Public administration and defence	374	382
Total	All industries and services	10,000	10,000
III to Manufacturing industries only		5,138	4,906
XIX			

Linking with earlier series

The figures for the indices of basic weekly rates of wages, normal weekly hours and basic hourly rates of wages may be linked with those of the previous series (31 January 1956 = 100) to give a measure, on a broad basis, of the movement in basic weekly rates of wages, normal weekly hours and basic hourly rates of wages respectively since January 1956. For this purpose the appropriate figure should be multiplied by one of the following factors:

	All workers	Men	Women	Juv- eniles
<i>Basic weekly rates of wages</i>				
All industries and services . . .	2.495	2.452	2.590	2.923
Manufacturing industries only . .	2.453	2.388	2.612	2.976
<i>Normal weekly hours</i>				
All industries and services . . .	0.900	0.901	0.898	0.898
Manufacturing industries only . .	0.904	0.905	0.900	0.903
<i>Basic hourly rates of wages</i>				
All industries and services . . .	2.773	2.723	2.885	3.254
Manufacturing industries only . .	2.714	2.638	2.902	3.295

The publication of index figures to one decimal place must not be taken to mean that these figures are thought to be significant to more than the nearest whole number. Where necessary figures for any particular month are revised to include changes arranged with retrospective effect or reported too late for inclusion.

General index of retail prices

The General index of retail prices measures the percentage changes month by month in the average level of prices of the commodities and services purchased by the great majority of households in the United Kingdom, including practically all wage earners and most small and medium salary earners. The weights used from February 1956 to January 1962 for combining the indices for the various groups of items were based on information provided by a large-scale Household Expenditure Enquiry made in 1953-54 adjusted to correspond with the levels of prices ruling in January 1956. From February 1962 to January 1963 the weights used were derived from the continuing Family Expenditure Surveys for the three years July 1958 to June 1961, adjusted to correspond with the levels of prices ruling in January 1962. From 1963 to 1974 weights were revised in February each year on the basis of information derived from the Family Expenditure Surveys for the three years ended in the previous June, adjusted to correspond with the levels of prices ruling in January of the current year. From February 1975 onwards, the weights have been based on information from the Family Expenditure Survey for one year only (Cmnd. 5905), that is the year ended in the previous June.

From 1968 onwards the index has been divided into eleven main groups for which the weights for recent years are shown in the table in the *Digest*. Prior to 1968 there were 10 main groups for which the weights for 1962 and those which would have been used in 1968 if the eleventh group had not been introduced are given below, together with the weights which were actually used in 1968.

The index is calculated monthly in respect of a Tuesday near the middle of each month.

Expenditure covered by the index does not include income tax payments, national insurance contributions, life insurance premiums and payments to pension funds, premiums for household insurance (other than insurance of the building), subscriptions to trade unions, friendly societies, hospital funds, church collections, etc., cash gifts, Pools and other betting payments, doctor's, dentists', etc. fees, and

	February 1962 to January 1963	February 1968 to January 1969 Notional	February 1968 to January 1969 Actual
I Food	319	289	263
II Alcoholic drink	64	65	63
III Tobacco	79	68	66
IV Housing	102	123	121
V Fuel and light	62	64	62
VI Durable household goods	64	60	59
VII Clothing and footwear	98	91	89
VIII Transport and vehicles	92	122	120
IX Miscellaneous goods	64	61	60
X Services	56	57	56
XI Meals bought and consumed outside the home	-	-	41
	1,000	1,000	1,000

capital sums or mortgage payments for house purchase or major structural alterations.

For expenditure coming within the scope of the index, a representative list of items was selected and the prices of these items are collected at regular intervals. Quotations are obtained from retail shops typical of those from which the majority of households commonly make their purchases in a large number of urban and rural centres throughout the United Kingdom. The prices used are the prices actually charged. So far as possible they relate to goods of unchanged quality at successive dates; when the quality changes, an appropriate adjustment is made to the price index.

An account of the method used for computing the index is given in *Method of Construction and Calculation of the Index of Retail Prices* (No. 6 in the series *Studies in Official Statistics*) published for the Department of Employment by Her Majesty's Stationery Office. A few changes are made from time to time in the list of items priced and details of such changes made between the date of publication of the booklet and July 1972 were given in *Hansard*, 12 July 1972, written answers, columns 371-2. Reference may also be made to reports of the Cost of Living Advisory Committee (Cmnd.9710, Cmnd.1657, Cmnd.3677 and Cmnd.5905), to *Report of an Enquiry into Household Expenditure in 1953-54* and *Reports on the Family Expenditure Surveys for 1957-59, 1960 and 1961*, and annually from 1962 to 1975, published by Her Majesty's Stationery Office.

Family expenditure survey

The notes below relate to the tables in the *Annual Abstract of Statistics* and *Regional Statistics*. The survey covers all types of private households in the United Kingdom. It is a continuing enquiry in which a sample of nearly 11,000 addresses is selected annually. An effective sample of some 10,400 households is obtained, of which about 70 per cent co-operate. Results of the survey will be found in annual *Family Expenditure Survey Reports* (HMSO), together with a full list of definitions and items on which information is collected.

The annual reports include a brief account of the sampling and field work procedure and a full description is provided by the technical handbook, *Family Expenditure Survey: Handbook on the Sample, Fieldwork and Coding Procedures* (HMSO).

Changes made in definitions from year to year may affect annual comparisons. The most recent substantial variations, in the 1973 and 1968 surveys, were described in the reports for those years. A summary of the main definitions in current use is given in the following paragraphs.

Household

The household is defined as including all those who live at the same address and who are catered for by the same person. The members of a household thus defined are not necessarily related by blood or marriage. Resident domestic servants are included. As the survey covers only private households, people living in hostels, hotels, boarding houses or institutions are excluded. No attempt is made to obtain records from households containing members of the diplomatic service of another country or of the United States armed forces.

Household income

Household income is the aggregate of the gross incomes of the individual members of the household before deduction of income tax, national insurance contributions and any other deductions at source. Income as thus defined excludes money received by one member from another member of the household, proceeds from the sale of cars, furniture or other capital assets, and receipts from legacies, maturing insurance policies and windfalls. With the exceptions of luncheon vouchers and an imputed amount for rent-free accommodation, income in kind is also excluded.

Expenditure

Expenditure is taken as representing current expenditure on goods and services. It excludes savings or investments (e.g. purchase of national savings certificates or shares; life insurance premiums; contributions to pension funds). Income tax payments and national insurance contributions, and mortgage and other payments for purchase of or major additions to dwellings are also excluded. Special procedures are applied to purchases under hire purchase and other credit arrangements.

Housing expenditure

Housing expenditure of households living in unfurnished or furnished rented dwellings consists of the payments by such households for rent, rates, water and any insurance of the structure, less receipts (if any) from sub-letting. For households living in rent-free accommodation housing expenditure is estimated in the same way as for rented dwellings except that a notional amount of rent based on the rateable value of the accommodation is included. Expenditure of households living in their own dwellings consists of the payments by these households for rates, water, ground rent and insurance of the structure together with the weekly equivalent of the rateable value of the dwelling less receipts (if any) from letting.

Persons working

These are persons aged 16 or more in the following categories:

Employees at work - those gainfully employed or absent on holiday only.

Employees temporarily away from work - those with a job to go to but absent from it for a reason other than holiday.

Employees out of a job - those with no job for up to five years through sickness or other reason, but who indicate that they intend to seek work.

Self employed.

Index numbers of wholesale prices

The index numbers are calculated from the price movements of some 11,500 closely defined materials and products representative of goods purchased and manufactured by UK industry. The index for an individual commodity expresses the current price as a percentage of its annual average price in 1970, the reference year of the series.

Commodity price index numbers are combined into index numbers for groups of commodities and for materials purchased by and output of broad sectors of industry;

industries are defined according to the 1968 Standard Industrial Classification. In building up the index numbers the weighting pattern used is that of 1968. Thus the index numbers express the cost of a 1968 basket of goods as a percentage of what the same basket cost in 1970. The use of two different years for the weighting base and for the reference year is owing to the fact that the 1968 Census of Production was the most up-to-date source for most of the detailed information required for weighting; the selection of 1970 rather than 1968 as the reference year is in accordance with international recommendations.

The weights used have been derived from the Census of Production supplemented by short-term statistics of production, *Overseas Trade Statistics*, information supplied by trade associations and various other sources. The value of goods for which no price series are available is imputed to prices series which may be expected to move similarly.

The values of sales or purchases used for weighting are net, i.e. transactions between undertakings within the same sector are excluded. For example steel is included in the index for all manufactured products only to the extent that it is sold outside manufacturing such as to the construction industries; steel sold within the manufacturing sector is excluded. However, sales of capital goods are all treated as sales outside manufacturing industry, in accordance with national income accounting practice, which treats capital formation as a separate sector.

Prices obtained for goods produced in the United Kingdom may be on an ex-works or delivered basis, according to the practice in the trade concerned. Where a producer supplies ex-works and also delivers, generally only the more important basis is reported on. Prices of imported goods are measured as closely as practical to a delivered basis. The prices collected are those that are quoted for current orders placed, which are not necessarily the same as those at which current deliveries are being received. This means, for example, that price changes in imported materials are generally reflected in the index numbers of materials purchased in advance of the corresponding changes in the unit values of imports entering the country.

A new method of calculating indices including imputation for items for which there is no current price information was introduced in June 1975. This is described in detail in an article in *Trade and Industry* of 13 June 1975. The method was extended as indicated in the article of 23 July 1976.

Index numbers of the cost of new construction

The index relates to changes in the cost of new building and civil engineering works in Great Britain, excluding repairs and maintenance. It incorporates changes in the cost of materials, the cost of labour and of overheads and profits. It is designed to indicate general trends in the cost of new construction work, and not changes in cost in any particular part of the country, of any specific type of building or of civil engineering work.

Index numbers of the average price of new dwellings for private owners

From 1975, the index has been compiled from information provided by a panel of building societies, including most of the larger societies, covering about 90 per cent of the total assets of the movement in the United Kingdom. Each society completes a return, every month, showing the number and total purchase price of dwellings mortgaged.

Separate figures are provided for new and other dwellings; and for mortgages at approval and completion stages. The approval stage figures provide the more up-to-date indicator of price trends whereas the series based on completions gives more accurate figures for dwellings actually purchased because a small, but significant number of mortgages approved do not result in completed transactions. The types, sizes, location and nature of the title of dwellings may vary from quarter to quarter. The index gives an indication of the changes in the price of new dwellings but not changes in the cost of building.

Figures for periods before 1975 are based on earlier returns and have been adjusted to make them comparable with the new return.

Index numbers of agricultural prices

The index numbers of agricultural prices in the United Kingdom (1968/69-1971/72 = 100) cover all the main agricultural products and also the main groups of materials currently consumed by agriculture. The purpose, background, scope and construction of the index was described in *Economic Trends*, No. 100, February 1962. For details of sources and methods used see *Agricultural Statistics, United Kingdom*, 1974.

Price indices for products

(i) Annual series

An index number for each main product sold off the national farm (i.e. all agricultural holdings regarded collectively as one farm) is calculated by comparing the current price with the simple average of four annual prices covering the four harvest years 1968/69-1971/72. Prices are measured at the first practicable point after the farm gate, e.g. open markets or point of purchase by a marketing board. Product indices are combined into group indices on an annual basis by the use of weights proportional to the value of sales off the national farm in the base period; both weights and prices are on a gross-price basis, i.e. they include any Exchequer payments relating to sales of products. For types of cereals and guaranteed classes of fatstock, a second index is calculated in each case based on market prices; that is to say, the current market price (exclusive of deficiency payments, guarantee payments from July 1968 to June 1971 under the Field Beans Grant Scheme and from August 1974 payments under the Beef Premium Scheme) is compared with the average market price in the base period. Annual average prices for products are normally weighted averages of twelve monthly prices.

(ii) Monthly series

An index number for each of the four main commodity groups (farm crops, fatstock, livestock products and poultry, and vegetables and fruit) and for all products, is calculated. The indices are based on the principle of a basket of goods which varies from month to month during the year. The monthly product indices calculated for the annual series are included in the monthly series calculations only when the product is in season, the product indices being combined into group indices (and all product indices) using a fixed monthly pattern of weights calculated from the four year base period; only those months are included during which the product was marketed in every

corresponding month of each of the four years 1968/69 to 1971/72.

Price indices for materials

Index numbers for the main kinds of currently consumed materials are calculated by methods similar to those used for products, prices being measured at the nearest practicable point before the farm gate, i.e. on a Delivered basis if possible. Group indices are calculated from indices for separate materials using base-period values as weights, but no all-materials index is calculated. For subsidised materials (fertilizers and lime) the series shown in the *Monthly*

Digest and the *Annual Abstract* are on a net-price basis; that is to say, current prices, base prices and value-weights relate to the final cost of these materials to the farmer (i.e. market price less subsidy rebates); from June 1974 the fertilizers' index is based on manufacturers prices in the Wholesale Price Index with adjustments being made for subsidy in the base period. Annual average prices for materials are in some cases simple averages of twelve monthly prices and in other cases averages weighted according to fixed month-to-month volume weights reflecting the normal pattern of monthly purchases of the commodity. (The index for labour is based on the cost per hour of hired men in Great Britain.)

XVIII. ENTERTAINMENT

Broadcast receiving licences current

These figures are compiled by the Post Office and represent the total number of annual licences in force at the end of the period. They include about 38,000 licences issued at a reduced fee to the blind.

Cinema statistics

Figures from 1959 until March 1967 were estimates, based on information relating to a sample of cinemas. From April 1967 figures are based on four-weekly returns submitted regularly to HM Customs and Excise by cinemas responsible for approximately 95 per cent of total takings plus an estimate for the remainder of the cinemas, which are exempt from four-weekly returns, based on an annual Department of Industry enquiry.

XIX. WEATHER

Air temperature

Averages of air temperature for 1931–60 were used as standards for comparison between January 1963 and December 1973. These were replaced in January 1974 by the averages for 1941/70 which were prepared by taking means of the average temperatures at 70 to 73 representative stations, the average at each station having first been reduced to sea level by adding 0·6° Centigrade for 100 m above sea level.

The monthly and annual values of mean daily air temperature at sea level for individual years are estimates obtained by calculating the means of the differences from the long-period averages at 45 to 47 stations in England and Wales, 20 to 21 in Scotland and 5 in Northern Ireland and adding these mean differences algebraically to the long-period averages for the territories concerned.

Rainfall

The annual areal averages of rainfall for the period 1916–50 are based on planimeter measurements of detailed annual maps of rainfall using values from some 6,000 stations. To obtain the monthly areal values for this period, maps of monthly average rainfall, expressed as a percentage of the annual average, are used first to estimate the monthly areal percentage proportions of rainfall and then to apportion the average annual rainfall.

The values for individual years are estimates obtained by calculating the means of the percentages of the averages for some 224 well-distributed stations, and applying these mean percentage values to the averages in millimetres for the respective territories. The procedure is carried out each

month, and independently for the total rainfall for the year; the separate monthly values are subsequently amended so that the sums agree with the corresponding annual totals.

Sunshine

Averages of bright sunshine for 1931–60 were used as standards for comparison between January 1963 and December 1973. These were replaced in January 1974 by the averages for 1941–70 which were prepared by taking the means of the average sunshine at 66 to 69 stations selected to give as representative a distribution as possible.

The mean daily amounts of sunshine for individual years are estimates obtained by calculating the means of the percentages of the average for 42 to 44 stations in England and Wales, 19 to 20 in Scotland and 5 in Northern Ireland, and applying these mean percentage values to the long-period averages for the respective territories.

Further details on weather statistics and particulars of longer series of values may be obtained from the Director-General, Meteorological Office, Met.O.3 London Road, Bracknell, Berkshire RG12 2SZ.

Conversion factors

Temperature

To convert degrees centigrade into degrees fahrenheit:
multiply by 9, divide by 5, and add 32.

Rainfall

1 millimetre = 0·0394 inch.

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Earnings, hours and wage rates, 17·1-17·7	Department of Employment	<i>Employment Gazette</i>	166-175
		<i>British Labour Statistics Yearbook</i>	

Subject and Table number in January 1977 issue	Government department or other organisation	Further source of information	Corresponding tables in <i>Annual Abstract of Statistics 1976</i>
Prices, 17·8-17·9 17·10	Department of Employment Department of Industry Department of the Environment	<i>Employment Gazette</i> <i>Trade and Industry</i> <i>Housing and Construction Statistics</i>	449 450-454
17·11-17·12	Ministry of Agriculture, Fisheries and Food	<i>Agricultural Statistics, United Kingdom</i>	455-456
Cinemas, 18·1	Department of Industry	<i>Trade and Industry</i> <i>Business Monitor</i> (annual)	100
Weather, 19·1	Meteorological Office	<i>Monthly Weather Reports</i>	2-5

APPENDIX

STANDARD REGIONS FOR STATISTICAL PURPOSES

The boundaries of the Economic Planning Regions in England were adjusted on 1 April 1974 to take account of local government reorganisation under the Local Government Act, 1972. It has been decided that the standard regions for statistical purposes will coincide with the revised Economic Planning Regions.

Standard regions at 31 March 1974.⁽¹⁾

North

Cumberland, Durham, Northumberland, Westmorland, and the North Riding of Yorkshire.

Yorkshire and Humberside

The East and West Ridings of Yorkshire (including City of York) and Lincolnshire (Parts of Lindsey excluding Lincoln C.B.).

East Midlands

Derbyshire (except the High Peak District, which is included in the North West Region), Leicestershire, Lincolnshire (Part of Holland, Parts of Kesteven and Lincoln C.B.), Northamptonshire, Nottinghamshire and Rutland.

East Anglia

Cambridgeshire and Isle of Ely, Huntingdon and Peterborough, Norfolk and Suffolk.

South East

Bedfordshire, Hertfordshire, Essex, Berkshire, Buckinghamshire, Oxfordshire, London (Greater London Council area), Kent, Surrey, Sussex, Hampshire, Isle of Wight and the Borough of Poole. ⁽²⁾

South West

Cornwall (including the Isles of Scilly), Devon, Dorset (excluding the Borough of Poole)⁽²⁾, Gloucestershire, Somerset and Wiltshire.

West Midlands

Herefordshire, Shropshire, Staffordshire, Warwickshire and Worcestershire.

North West

Cheshire, Lancashire and the High Peak District of Derbyshire (the Boroughs of Buxton and Glossop, the urban districts of New Mills and Whaley Bridge and the rural district of Chapel en le Frith).

Wales

The whole of Wales.

Scotland

The whole of Scotland.

Northern Ireland

Antrim, Down, Armagh, Fermanagh, Tyrone, Londonderry, Belfast C.B., Londonderry C.B.

⁽¹⁾ The lists are classified according to local authority areas in existence at the stated time.

⁽²⁾ Poole was in the South West Economic Planning Region but had been included in the South East statistical region pending the report of the Local Government Commission on this area.

The lists below give definitions of the standard regions for statistical purposes on both the boundaries of 31 March and 1 April 1974. *Statistical News No. 27, November 1974* (HMSO) (40p net) contains an article and a map relating to these boundary changes.

Standard regions at 1 April 1974.⁽¹⁾

North

Tyne and Wear, Cleveland, Cumbria, Durham, Northumberland.

Yorkshire and Humberside

South Yorkshire, West Yorkshire, Humberside, North Yorkshire.

East Midlands

Derbyshire, Leicestershire, Lincolnshire, Northamptonshire, Nottinghamshire.

East Anglia

Cambridgeshire, Norfolk, Suffolk.

South East

Greater London, Bedfordshire, Berkshire, Buckinghamshire, East Sussex, Essex, Hampshire, Hertfordshire, Isle of Wight, Kent, Oxfordshire, Surrey, West Sussex.

South West

Avon, Cornwall, Devon, Dorset, Gloucestershire, Somerset, Wiltshire.

West Midlands

West Midlands, Hereford and Worcester, Salop, Staffordshire, Warwickshire.

North West

Greater Manchester, Merseyside, Cheshire, Lancashire.

Wales

The whole of Wales.

Scotland

The whole of Scotland.

Northern Ireland

Antrim, Down, Armagh, Fermanagh, Tyrone, Londonderry, Belfast C.B., Londonderry C.B.

Regional figures provided by the Department of Employment are built up by aggregating the appropriate local employment exchange areas. The boundaries of such areas, however, do not in all cases agree precisely with county or regional boundaries.

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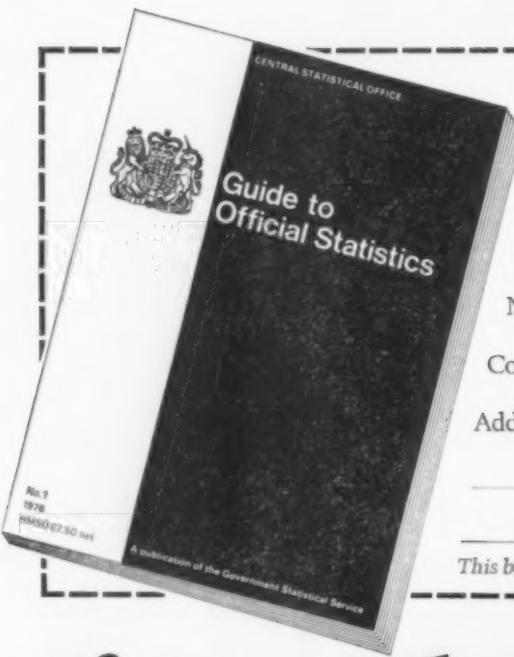
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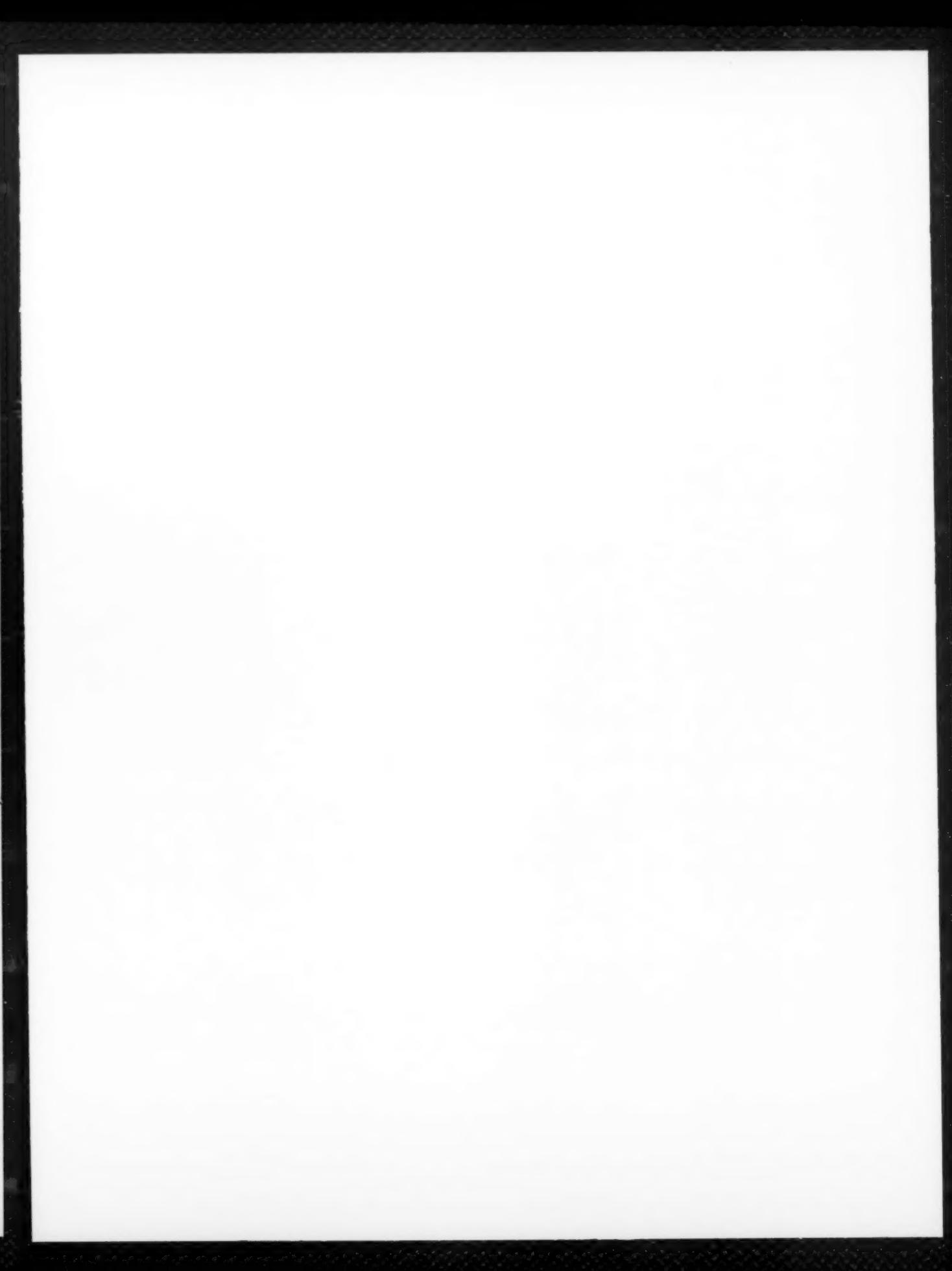
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